2/13/79 [4]

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1:30pm

THE WHITE HOUSE

WASHINGTON

February 10, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI
STU EIZENSTAT
TIM KRAFT

SUBJECT: Meeting to discuss Mexico trip
Monday, February 12, 1979
Cabinet Briefing Room
1:30pm

I. PURPOSE

To meet with a group of business, labor, Hispanic and religious leaders to discuss your trip to Mexico.

II. BACKGROUND, PARTICIPANTS, PRESS

A. BACKGROUND:

The people who will be attending have a deep interest in the U.S.-Mexican relations and will be interested in hearing your views on the trip and what issues will be raised as well as discussing with you prior to your departure some of their concerns.

On January 22, the Hispanic participants met with Tim Kraft and other staff members to discuss immigration policy. They also met at the White House with Sen. Kennedy's and Cong. Rodino's immigration aides. A summary of their concerns expressed at those meetings is attached.

B. PARTICIPANTS: List Attached.

C. PRESS: White House Photo; no press in attendence.

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THE WHITE HOUSE

WASHINGTON

III. TALKING POINTS

My staff and I have discussed this trip with many people, including many of you here today.

Before I leave, I thought it might be useful to discuss firsthand, some matters of concern to us all.

(You have been briefed on the issues that you may want to focus the discussion on by the NSC and Domestic Policy staffs.)

THE WHITE HOUSE

WASHINGTON

SUMMARY OF CONCERNS

IMMIGRATION POLICY:

-The U.S. needs to establish a "new" relationship with Mexico on a one-to-one basis. The group feels that nothing had been done by the past two Administrations to foster a feeling of partnership with Mexico.

-The U.S. needs to develop an interior and border economic development program with special sensitivity to the concerns of organized labor.

-The U.S. needs to increase its quotas for legal migration from Mexico. The general feeling is that Mexican-Americans are discriminated against as opposed to other ethnic groups. Evidence:

  -Canada has been given the same quota as Mexico even though its population is 2/5 the size of Mexico's. Furthermore, Canada has never used more than 10% of its quota.

  -Under the H-2 program, only 300 Mexicans were brought in legally without litigation while much smaller countries, like Jamaica, were allowed to bring in 20 times that figure.

ENERGY POLICY:

-The purchasing of Mexican oil and gas.

THE WHITE HOUSE

WASHINGTON

ATTENDEES AT MEETING WITH THE PRESIDENT ON MEXICO
Monday, February 12, 1979
Cabinet Briefing Room
1:30pm

LABOR
Lee, Ernest-AFL-CIO

BUSINESS
Van Heuven, Gerald- Exec. VP; U.S.-Mexico Chamber of Commerce
Wichtrich, Al- President American Chamber of Commerce Mexico City
Stone, Roger-President, Center for Inter-American Relations
Pfeiffer, Ralph- Chairman- IBM World Trade
Molina, Edgar- VP of International Affairs, Ford Motors
Miller, Irwin- Chairman, Executive Finance Committee, Cummins Engine
Geyelin, Henry- President, Council of the Americas

RELIGIOUS
Higgins, George- Secretary for Special Concerns, U.S. Catholic Conference

HISPANICS
Joya, John- President, Meridian House International
Pena, Ed- President, League of United Latin American Citizens
Pacheco, Don- President, American GI Forum
Martinez, Vilma- President, Mexican-American Legal Defense and Education Fund (MALDEF)
Taracido, Lita - President, Puerto Rican Legal Defense and Education Fund (PRLDEF)
Hernandez, Andres- Excutive Director, Cuban-American Coalition
Montoya, Alfredo- Labor Council for Latin Americal Advancement (LCLAA)
Patlan, Juan- Executive Director, Mexican American Unity Council
Espinoza, Tom- Director, Chicanos por la Causa
Lizarraga, David- President, The East Los Angeles Community Union (TELACU)
Romero, Ed- Hispanic Chamber of Commerce, Albuquerque
Patino, Lorenzo- immigration attorney; member of La Raza Lawyers Association
Moreno, Paul- State Representative, Texas
Moreno, Alfredo- Paul Moreno's Brother
Maldonado, Juan- Mayor, San Juan, Texas
Martinez, Raul- Mayor, Parlier, California
Salazar, Ray- Mayor, El Paso, Texas
Mondragon, Robert- Lt. Gov. of New Mexico
Creel, Emma- Chairman of the Board, Chicano Federation
Castillo, Leonel- Director, Immigration and Naturalization Service (INS)

THE WHITE HOUSE

WASHINGTON

February 9, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER HC

SUBJECT: Weekly Mail Report (Per Your Request)

Below are statistics on Presidential and First Family:

INCOMING	WEEK ENDING 2/2	WEEK ENDING 2/9
Presidential	37,330	34,180
First Lady	1,265	1,175
Amy	305	385
Other First Family	70	60
TOTAL	38,970	35,800

BACKLOG		
Presidential	8,980	7,920
First Lady	150	360
Amy	0	0
Other	0	0
TOTAL	9,130	8,280

DISTRIBUTION OF PRESIDENTIAL MAIL ANALYZED		
Agency Referrals	9%	11%
WH Correspondence	49%	48%
Unanswerable Mail	14%	15%
White House Staff	6%	5%
Greetings Requests	21%	21%
Other	1%	0
TOTAL	100%	100%

NOT INCLUDED ABOVE		
Form Letters	52,200	0
Form Post Cards	4,150	5,400
Mail Addressed to White House Staff	18,237	13,794

cc: Senior Staff

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MAJOR ISSUES IN
CURRENT PRESIDENTIAL ADULT MAIL
Week Ending 2/9/79

ISSUES	PRO	CON	COMMENT ONLY	NUMBER OF LETTERS
Support for President's Grant of Executive Clemency to Patricia Hearst	28%	72%	0	872
Support for Budget Cutbacks for FY 1980	2%	96%	2%	762
Support for Deregulation of Trucking Industry	0	100%	0	727
Support for Recognition of People's Republic of China	10%	85%	5%	467
Support for Dismissal of Bella Abzug	42%	56%	2%	338
Support for FAA Proposals to Expand Air Traffic Control System (1)	2%	98%	0	290
Support for Richard Nixon's Invitation to White House	8%	92%	0	277
Support for President's State of Union Message 1/23/79	30%	27%	43%	207
Support for President's Position re: Middle East	2%	69%	29%	133
Support for President's Program to Deal with Inflation	4%	19%	77%	100
			TOTAL	4,173

(1) SUPPORT FOR FAA PROPOSALS RE: AIR TRAFFIC CONTROL (98% con)

As part of an apparent write-in campaign, private pilots contend that FAA proposed changes in the air traffic control system are inflationary, not in the interest of safety, and will strangle the growth of general aviation; alternative measures are recommended.

THE WHITE HOUSE

WASHINGTON

February 9, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: RICK HUTCHESON Bell / Simon for Rick Hutcheson

SUBJECT: Status of Presidential Requests

EIZENSTAT:

1. (1/17) (and McIntyre) Assess the memorandum from Governor Busbee concerning views on the budget; this is one of the best memos the President has ever seen from a state or local official. Please respond by 2/1. Done. done

BRZEZINSKI:

1. (1/24) Discuss your alternate proposal with Jim McIntyre concerning the request for new authorization to negotiate a renewal of the Azores base agreement and for additional grant military assistance for Portugal. We need to phase our grant; State should not make or imply commitments without prior agreement with OMB or approval by the President -- Done. done

2. (1/29) (and Blumenthal) Any policy direction concerning guidance for questions on Jackson-Vanik (on trade between the U.S. and China) should be cleared personally by the President -- Done. (Message conveyed). done

3. (2/8) Let's have an official banquet for Fahd -- Message Conveyed. done

SECRETARY BROWN

1. (12/14) When will the President receive the JC's positions on SALT III and MBFR? -- Done. done

ATTORNEY GENERAL BELL:

1. (1/17) Comment on the memo from IOB Chairman Tom Farmer -- In Progress, (expected 2/14, previously expected 2/6).

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ATTORNEY GENERAL BELL (cont.)

2. (2/7) (and McIntyre) On the proposal to establish a council to coordinate efforts of the Inspectors General and others to combat waste and fraud: a) another council? b) possible to combine with positive aspect of efficiency and better government? c) how does Scotty feel about this? d) let an executive committee group meet to discuss and report to the President -- In Progress, (expected 2/16).

meeting with Senators Jennings
Randolph and Robert Byrd and
Congressman Harley Staggers 2/13/79

THE WHITE HOUSE
WASHINGTON

Davis Bowen Project mtg -

Randolph = US 1st - WVa 2nd

"State of urgency missing"

Tucker Co - Parsons W. Va.
rural, mountain

FPC approved -
1200 workers to build
then 800

Hayden Project stopped - "Corps no permit
Suits filed
People favor project
State govt opposes project
Barbour - Grant - Pendleton -
Randolph Cos. favor
Admin inducement in face of
lawsuits - inadvisable

Need call for power production
Corps - F & WL - FERC
Need early resolution of Corps?

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THE WHITE HOUSE
WASHINGTON

Byrd get agencies together to assess power needs

Staggers - Project should be completed

Tucker to buy poor-feds own land

Glade Run site - alternative?

SRC I & SRC II demo plants

Worldwide energy shortage

Japan concerned - Vance letter

TRG $175 mil Jap $175 mil + $100 mil

18% duty on Mex coal cars

ACF industries - W. Va.

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meeting with congressmen
rangel and waxman 2/13/79

THE WHITE HOUSE
WASHINGTON

2-13-79

Rangel Waxman

Hosp Cost cont - bill next week
Work together - joint sponsorship
schedule - who goes first?
Rangel Prospects in committee w/m^ee Com?
Joint hearing
Savings -
Waxman Difficult in Commerce

'79 +9-7%
Exemptions excluded > 1/2 com hosp.

Waxman gets Califano

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telephone call with
secretary jim schlesinger
2/10/79

1-24

Schlesinger: Oil execs in a funk
more on prices
oil execs don't want to be blamed
Speech
Options re oil/energy
French. more fuel pkg → May
what can we provide
2 60 when gas flows
~ price freeze energy equivalent

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65 mil pop.

meeting with constituent groups/mexico trip

2/12/79

THE WHITE HOUSE
WASHINGTON

VOC
Rhapsody
2.12.79

Guerrero - Corona -

Who will go to Mexico?

Human Rts violations

Problems/Carter friendship

Take Bruce Babbitt, a mayor

El Paso/mayor Ray?
Juarez

Trade, pollution tourism

Update H_2O treaty - Technology

free trade 2x nat'l biz

Com mkt

Inter police

Montoya - 60% of Union members
Mex-Am

Appeal Silver decision

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R. Hertzberg
2/9/79

ok
J

Press conference opening statement--draft

Two years ago, President Jose Lopez Portillo of Mexico became the first Head of State to visit me in the White House.

That was no accident, but a carefully considered decision. It was a demonstration of the importance I have placed from the very beginning on our relations with Mexico--the nation which shares the North American continent with the United States and Canada.

Some 40 hours from now, I will depart for Mexico City to return President Lopez Portillo's visit and to ~~continue~~ renew ~~and renew~~ the dialogue ~~we have begun~~. pursued as part of the continuing consultations and negotiations which have continued among our ministers and other officials We will be discussing some very important common problems --including trade, energy, ~~migration,~~ and border issues.

I am looking forward to extensive discussions of global and regional problems as well. As you know, Mexico plays a vital role in the world on a number of crucial issues, such as

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economic development, arms restraint and nuclear non-proliferation. These ~~are~~ are very important to me, issues ~~both~~ President Lopez Portillo and ~~I care about very deeply~~.

Inevitably, there are differences in outlook between two such diverse and important neighbors as the United States and Mexico, but those differences ~~must be seen in the context of a firm friendship. They~~ are dwarfed by our common concerns, our common values, and our areas of ~~common~~ cooperation.

I view this trip, above all, as an opportunity to listen and to learn. I want to hear President Lopez Portillo's views, and to share mine with him. ~~And I want to~~ We will work together ~~with him~~ toward a better understanding of the kind of future relationship between our two countries ~~which we want to have~~.

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# # #

BAronson:2/11/79

ok
J

OPENING STATEMENT ON INFLATION: PRESS CONFERENCE FEB. 12, 1979

Last month's increases in the Wholesale Price Index are a clear message to the nation: we cannot shrink from making the tough decisions which are needed to bring inflation down.

The demands of special-interest groups, no matter how legitimate, must be curbed. The Congress must hold the line on federal spending this year. We have steadily reduced the federal deficit over the past two years, and we will continue to reduce it further. I intend to use my full authority as President to reduce federal spending to the level called for in my budget.

The Congress must act, as well, to pass long overdue legislation to restrain inflation in hospital costs. The American people badly need relief from this punishing form of inflation.

I said when I announced my program of wage-price guidelines that inflation might get worse in the short-run before it got better. The January wholesale price increases bear out that prediction, I am disappointed by these figures. But it appears that most of the January price increases are due to the fact that many industries, including auto and steel, decided last month to take the full price increase to which

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they are entitled under the guidelines during the six months period which ends March 31st. but we do not expect such increases as there to be repeated in coming months.

All available evidence indicates that the guidelines are beginning to take hold. The first major wage settlement by the Oil, Chemical, and Atomic Workers -- and others since then -- fall within the 7% guideline. The overwhelming majority of major corporations have pledged to comply with the guidelines, and We expect the remainder to follow suit. The staff of the Council on Wage and Price Stability, ~~which I have expanded,~~ will vigorously monitor all pricing decisions to ensure compliance.

The Congress must do its part in this effort by enacting my program of real wage insurance. ~~I was pleased to see the Teamsters Union endorse this legislation Friday as have the Auto and Communications Workers and the State, County, and Municipal Employees.~~ American workers who sacrifice by restraining their wage demands deserve the protection of this legislation.

For more than 10 years we have lived with rising inflation. Now the program we have set is beginning to work, and if we all do our part, we will succeed in bringing inflation down step by step. I am determined to use the full authority of my office to make this effort succeed, and I believe the Congress, and all Americans, are ready to do their part.

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OPENING STATEMENT - 2/12/79

I would like to say a few words on Iran. Over the past several months, we have watched with concern the events unfolding there. Our objective has been (and is) a stable and independent Iran which maintains good relations with the United States. Our policy has been not to interfere in Iran's internal affairs and to express our firm expectation that others would not do so. We hope that the differences that have divided Iran for so many months can now be ended. We have been in touch with those in control of Iran and stand ready to work with them.

Our policy has avoided the extremes of abandoning the legitimate government or of pursuing an active interventionist policy. We have at each stage supported the legitimate political process in Iran as the appropriate means for meeting the needs of the Iranian people through orderly change.

Insure safety Americans in Iran
~~Protect~~
Minimize bloodshed
Military intact - defend Iran's security
No outside interference
Honor will of Iran people

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We are now working as we have been for the past several months to:

Insure the safety of Americans in Iran;

Minimize bloodshed and violence;

Ensure that Iran is militarily capable of protecting her ~~[illegible]~~ independence and territorial integrity

Prevent intervention or intervention by any outside power; and

to Honor the will of the Iranian people.

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THE WHITE HOUSE
WASHINGTON

2/12/79

Stu Eizenstat
Zbig Brzezinski

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

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

February 9, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT Stu
ZBIGNIEW BRZEZINSKI ZB

SUBJECT: ENERGY SPEECH

You indicated on the report of the PRC meeting yesterday that you still want to see a draft speech on energy right away, with the possibility of giving that address soon. Because of our strong concern about the adverse consequences of a speech given too early, we wanted to make sure you understood the detailed reasons behind the recommendation for deferring the speech. We discussed this issue at length yesterday with Jim Schlesinger, Tony Solomon, Stan Turner, Dick Cooper, and Charlie Schultze. Our unanimous conclusion was that until you have a concrete, well-thought through program for dealing with the Iranian shortfall, any speech you could make would fall so short of the mark as to be disastrous.

We now have underway an intensive task force to develop specific plans for action including:

- o mandatory contingency conservation plans, which must be approved by the Congress (due to Congress February 26).
- o possibilities for other administrative action which requires additional coordination (including delay of EPA's lead phase-down program, and increasing the amount of coal which can be burned by temporarily relaxing environmental standards).
- o options for export of Alaskan oil to increase production from the North Slope
- o administrative measures on crude oil pricing to stimulate new supplies (including marginal well relief, and decontrol of new, new oil).
- o programs for international cooperation through the International Energy Agency (whose governing board meets on March 1 and 2.)
- o ways to meet energy commitment to Israel

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These are the types of concrete actions which we believe must be decided and ready for announcement before a speech is given. We further believe that a speech which relies only on exhortations to the public (and industry and government agencies) to conserve voluntarily would be universally perceived as an inadequate response to the current situation. (Conversely, announcement now that you plan a major address later would only arouse unproductive speculation as to the contents of the plan, and create an atmosphere of uncertainty and instability.)

We strongly urge that this task force be permitted to complete its work -- due within the next three weeks -- by which time a significant, meaty speech can be prepared for delivery in early March. Of course, as lesser administrative actions are agreed to which would help alleviate the existing situation (such as encouraging the electric utilities to increase their wheeling and power sharing to cut down on use of oil-fired boilers), these can be announced by Secretary Schlesinger. This will help counter any impression of lack of action or indecisiveness which might result from postponement of the speech until we are fully prepared. We would repeat, that all concerned believe that a speech which does not set forth significant actions which you have taken or are prepared to take will have very serious negative impacts on the exchange markets, the Congress, and the overall impression of your leadership.

If, in the interim, you would like us to give you an illustrative draft speech, indicating the types of actions which we have under consideration but which are not yet firm recommendations for action, we can have such a draft to you within the next few days. Such a draft would indicate areas of uncertainty, but would give you a flavor for the kinds of decisions and issues which are likely.

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12:05

THE WHITE HOUSE

WASHINGTON

MEETING WITH SENATOR SASSER AND ROBERT CLEMENT

Monday, February 12, 1979
12:05 p.m. (5 minutes)
Oval Office

From: Frank Moore FM

I. PURPOSE

To discuss with Bob Clement your intention to nominate him to the TVA Board after his security, conflicts-of-interest, and financial disclosure clearances have been satisfactorily completed (anywhere from 4 to 8 weeks).

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: You recently approved the Presidential Personnel Office's recommendation of Mr. Clement to be nominated as the third member of the TVA Board. Mr. Clement will be perceived by citizens of the Valley as the only Board member thoroughly familiar with the Valley. They see David Freeman as an outsider from Washington even though his roots are in Tennessee and Richard Freeman as an outsider from Chicago even though he at one time served on the legal staff of TVA. While neither is especially liked in the Valley, Chairman David Freeman is particularly unpopular. Mr. Clement's nomination represents an opportunity for you to place a popular yet qualified Valley native on the Board.

B. Participants: The President
Senator Jim Sasser
Bob Clement
Mary Clement (Bob's wife)
Frank Moore

C. Press Plan: Brief Photo Session (one-minute)

III. TALKING POINTS

1. You look forward to nominating him to the TVA Board after his security, financial disclosure, and conflicts-of-interest clearances have been completed.

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2. As a Tennessean and a former Public Service Commissioner, he is uniquely qualified to serve on the TVA Board.

3. You may want to discuss briefly your views on TVA's mission and your desire to have Mr. Clement view TVA not just as serving the interests of Tennessee or the region, but as also serving the broader national interest.

4. Other comments as suggested by Frank Moore.

A089
U I
PM-IRAN 4THLD-MULTITAKES A077 2-12
URGENT
(KHOMEINI FOLLOWERS ROUND UP AMERICANS)
BY SAJID RIZVI
TEHRAN, IRAN (UPI) -- REVOLUTIONARY FORCES OF AYATOLLAH RUHOLLAH KHOMEINI COMPLETED THEIR TAKEOVER OF IRAN TODAY -- SPELLING THE END OF MORE THAN 2,500 YEARS OF MONARCHY. KHOMEINI FOLLOWERS RAMPAGED THROUGH THE STREETS AND ROUNDED UP SCORES OF AMERICANS.
KHOMEINI'S FORCES SEALED THEIR VICTORY BY CAPTURING THE SHAH'S NIAVARAN PALACE AND NEARBY HEADQUARTERS OF THE ELITE IMPERIAL GUARD.
KHOMEINI IMMEDIATELY INSTALLED HIS HAND-PICKED PRIME MINISTER MEHDI BAZARGAN TO RUN THE COUNTRY IN THE PLACE OF SHAHPOUR BAHKTIAR, THE SHAH'S APOINTEE WHO ABANDONED THE POST WHEN HE LOST MILTIARY SUPPORT SUNDAY.
BAZARGAN'S FIRST ACT WAS TO FIRE PRO-SHAH MILITARY CHIEF OF STAFF GEN ABBAS GARABAGHI.
THE TAKEOVER TOUCHED OFF A NEW WAVE OF ANTI-AMERICANISM, WITH YOUNG REVOLUTIONARIES TAKINGE SCORE OF U.S. CITIZENS INTO CUSTODY.
A U.S. EMBASSY OFFICIAL ESTIMATED AT LEAST 50 AMERICANS WERE PICKED UP BY THE URBAN GUERRILLAS AS THEY CONSOLIDATED THEIR HOLD ON THE CAPITAL.
MANY WERE LATER RELEASED AFTER BEING TAKEN TO THE HEADQUARTERS OF THE AYATOLLAH. THE EMBASSY OFFICIAL SAID THEY WERE "RELEASED AFTER THE AYATOLLAH'S AIDES DESCRIBED THE INCIDENTS AS MISTAKES AND APOLOGIZED."
MORE
UPI 02-12 10:40 AES

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THE WHITE HOUSE
WASHINGTON

2/12/79

Frank Moore

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

Rick Hutcheson

CALL TO SEN. MELCHER

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

ACTION	FYI	
		VICE PRESIDENT
		JORDAN
		EIZENSTAT
		KRAFT
		LIPSHUTZ
/		MOORE
		POWELL
		RAFSHOON
		WATSON
		WEXLER
		BRZEZINSKI
		MCINTYRE
		SCHULTZE
		ADAMS
		ANDRUS
		BELL
		BERGLAND
		BLUMENTHAL
		BROWN
		CALIFANO
		HARRIS
		KREPS
		MARSHALL
		SCHLESINGER
		STRAUSS
		VANCE

		ARAGON
		BUTLER
		H. CARTER
		CLOUGH
		CRUIKSHANK
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HUTCHESON
		LINDER
		MARTIN
		MOE
		PETERSON
		PETTIGREW
		PRESS
		SANDERS
		VOORDE
		WARREN
		WISE

THE WHITE HOUSE

WASHINGTON

Frank -
See me
J

CONGRESSIONAL TELEPHONE CALL

TO:	Senator John Melcher
DATE:	As soon as possible
RECOMMENDED BY:	Dan Tate/Frank Moore
PURPOSE:	To discuss the Northern Tier Pipeline proposal; and to avoid having a personal meeting with Melcher.
BACKGROUND:	See attached memo
TALKING POINTS:	See attached memo

Melcher: "Need to move"
Check ≅ Atty Gen
Δ Panel if necessary

Date of submission: 2/9/79

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BACKGROUND

For some time, the Northern tier states have been interested in a west-to-east oil pipeline to bring their refineries crude oil from Alaskan and foreign sources. The Northern Tier Pipeline, which Senator Melcher supports, is one of several possible projects.

The Interior Department has had the Northern Tier project under consideration for permits for the last two years. Normally such a proposal would be considered under the Mineral Leasing Act, and Interior was proceeding in this vein until last fall. An amendment which Senator Melcher sponsored was enacted as part of the utility rate reform bill in November. It sets up a special "expedited" process for selecting a route and granting permits to a west-to-east oil pipeline. Interior originally opposed this amendment as unnecessary, and potentially complicating. The original Melcher bill which was specifically directed to the Northern Tier proposal was changed before enactment to require equal treatment of any valid applications which were received by January, 1979.

The net effect of the Melcher amendment has been to delay Interior's consideration of the Northern Tier application. Three sponsors of competing routes have each filed applications which must now be evaluated and go through the Environmental Impact Statement process. (The EIS on Northern Tier was close to completion at the time the Melcher amendment became law, but may now have to be changed to analyze the other route applications.)

Interior estimates that, at the earliest, final recommendations of a west-to-east pipeline will not be made until December 1979, and the process could, of necessity, extend into 1980. Secretary Andrus (who feels the Northern Tier proposal is sound) has personally spent much time with Melcher on this problem, and believes he is doing everything legally possible to make this decision promptly.

Melcher will raise with you his concern that a decision should be made, for political reasons, before the middle of an election year and Interior should move more quickly, even if it means supporting new legislation to do so. He will argue that the other pipeline proposals -- two of which are in whole or part in Canada -- should be treated differently, though Interior raises legal questions whether this can be done.

SUGGESTED TALKING POINTS

- As a matter of national energy policy, the Administration has a keen interest in projects such as the Northern Tier proposal which would help alleviate the West Coast crude oil surplus and which also would provide crude oil to distressed Northern Tier refineries.

- You recognize the need to move as expeditiously as legally possible in this matter. Conclusive action at an early date makes good energy policy and politics, and you have asked Cecil Andrus to continue to work closely with Melcher to resolve this issue. We must, however, stay within the confines of the law, and you may want to act to ensure that any project which you may ultimately approve does not face additional delay through court challenges of the procedural aspects of the decision.

- You hope that Melcher will share with Andrus any further suggestions he may have in moving consideration of this issue forward. (Note: an indication of support for legislative change would not be advisable since it is likely to run into complicating amendments and further confuse the situation. Secretary Andrus should handle at least the initial judgments or whether changes could be constructive.) You should also be aware that Melcher has not been satisfied with Secretary Andrus' handling of this matter. The Senator feels that the Secretary does not understand the politics of the issue. You may want to take this opportunity to alleviate Melcher's concerns in this regard.

THE WHITE HOUSE

WASHINGTON

CONGRESSIONAL TELEPHONE CALL

TO:	Senator John Melcher
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RECOMMENDED BY:	Dan Tate/Frank Moore FM.
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BACKGROUND:	See attached memo
TALKING POINTS:	See attached memo

Date of submission: 2/9/79

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The Interior Department has had the Northern Tier project under consideration for permits for the last two years. Normally such a proposal would be considered under the Mineral Leasing Act, and Interior was proceeding in this vein until last fall. An amendment which Senator Melcher sponsored was enacted as part of the utility rate reform bill in November. It sets up a special "expedited" process for selecting a route and granting permits to a west-to-east oil pipeline. Interior originally opposed this amendment as unnecessary, and potentially complicating. The original Melcher bill which was specifically directed to the Northern Tier proposal was changed before enactment to require equal treatment of any valid applications which were received by January, 1979.

The net effect of the Melcher amendment has been to delay Interior's consideration of the Northern Tier application. Three sponsors of competing routes have each filed applications which must now be evaluated and go through the Environmental Impact Statement process. (The EIS on Northern Tier was close to completion at the time the Melcher amendment became law, but may now have to be changed to analyze the other route applications.)

Interior estimates that, at the earliest, final recommendations of a west-to-east pipeline will not be made until December 1979, and the process could, of necessity, extend into 1980. Secretary Andrus (who feels the Northern Tier proposal is sound) has personally spent much time with Melcher on this problem, and believes he is doing everything legally possible to make this decision promptly.

Melcher will raise with you his concern that a decision should be made, for political reasons, before the middle of an election year and Interior should move more quickly, even if it means supporting new legislation to do so. He will argue that the other pipeline proposals -- two of which are in whole or part in Canada -- should be treated differently, though Interior raises legal questions whether this can be done.

SUGGESTED TALKING POINTS

- As a matter of national energy policy, the Administration has a keen interest in projects such as the Northern Tier proposal which would help alleviate the West Coast crude oil surplus and which also would provide crude oil to distressed Northern Tier refineries.

- You recognize the need to move as expeditiously as legally possible in this matter. Conclusive action at an early date makes good energy policy and politics, and you have asked Cecil Andrus to continue to work closely with Melcher to resolve this issue. We must, however, stay within the confines of the law, and you may want to act to ensure that any project which you may ultimately approve does not face additional delay through court challenges of the procedural aspects of the decision.

- You hope that Melcher will share with Andrus any further suggestions he may have in moving consideration of this issue forward. (Note: an indication of support for legislative change would not be advisable since it is likely to run into complicating amendments and further confuse the situation. Secretary Andrus should handle at least the initial judgments or whether changes could be constructive.) You should also be aware that Melcher has not been satisfied with Secretary Andrus' handling of this matter. The Senator feels that the Secretary does not understand the politics of the issue. You may want to take this opportunity to alleviate Melcher's concerns in this regard.

UNCLAS

Sarah - I called Hunt (+) Thomas (?) + Soles (L+)

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Electrostatic Copy Made
for Preservation Purposes

To: President Carter
From: Sarah Weddington
Subject: Call Gov. Hunt in North Carolina concerning ERA

The situation in North Carolina has reached a critical point. Governor Hunt does not understand that the ERA can be helpful to you. Emphasize the fact that with the Bella Abzug firing the Carter administration needs to show that women's issues are a high priority. The ERA vote in North Carolina is crucial to your image with women's groups. The ERA is one of the few issues that most women's groups support.

We have 22 votes. Governor Hunt needs to deliver 3 more, he admitted last night to House Sponsor George Miller that he hadn't started working on this soon enough and he doesn't think he can pull it off.

The joint hearing is set for Tuesday with a vote planned for Thursday and Friday. If we can't get the votes the bill will just sit in committee.

The tide is turning against us. Friday morning Senator Billy Mills announced against us before the Governor could reach him and newly appointed Senator Joe Thomas has said he will vote NO. If the Governor can turn soft no's Joe Palmer - D from Haywood County and Walter Cockerham - R from Greensboro then we will have a tie. (one anti is in the hospital for two weeks). Without North Carolina ratifying we will have a much more difficult time with Florida and Oklahoma.

wife a key (Linda)

Vanceboro
Mail - 3:1 no
Telephones - 4:1 no

open mind willing
R.C. Soles - Lawyer Demo - U.S.
Tabor City
Talked to Hunt 4 times
Lt Gov in district

UNCLAS

MEMORANDUM

Electrostatic Copy Made
for Preservation Purposes

OFFICE OF THE VICE PRESIDENT

WASHINGTON

February 8, 1979

C

MEMORANDUM FOR JODY POWELL
ZBIGNIEW BRZEZINSKI

FROM: AL EISELE/AE

SUBJECT: The President's Interview with Don Oberdorfer

Basically, Don Oberdorfer is trying to find out how the President arrives at his foreign policy decisions.

He is particularly interested in the process by which the President receives foreign policy advice and the role of the various foreign policy advisors; he asked a number of questions about the Friday foreign policy breakfasts.

He discussed the evolution of the President's views on the Middle East with special attention to what happened at Camp David, nuclear proliferation, U.S.-Soviet relations, normalization of relations with the PRC, the neutrom bomb, and human rights.

He probed alleged differences between Brzezinski and Vance, although he did not center on that.

He is an intelligent and thoughtful journalist who appears intent on doing a thorough and scholarly analysis of the Administration's foreign policy process.

In regard to the Brzezinski-Vance questions, the Vice President downplayed the idea of any conflict. He said the President encourages a candid expression of views from his advisers and that he, the Vice President, thinks that a lot of these stories about a Brzezinski-Vance rivalry are caused by "reporters who like to promote a fight". Oberdorfer said he agreed.

The Vice President feels that the President might defuse this subject if he were to suggest to Oberdorfer that there are fewer disputes than the press reports. He cited the example of the differing treatment given the speeches by Vance and Zbig at the recent State Department China briefing--Oberdorfer wrote it straight and Bernie Gwertzman of the TIMES wrote a "Zbig and Vance disagree" story.

I have a feeling he may focus a little more on the Brzezinski-Vance thing in light of recent stories about that subject.

cc: Denis Clift

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 8, 1979

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI ZB

SUBJECT: Your Interview with Don Oberdorfer

Don will be seeing you Friday to discuss the method and substance of American foreign policy. I have already seen him as has the Vice President, Warren Christopher, Hamilton and Mrs. Carter. In order to prepare you for this interview, I have summarized the points I made to Don (below) and have attached the points made by Mrs. Carter (Tab A) and Warren (Tab B). Hamilton said his conversation was very general and that Don was seeking your "view of the world." I have asked the Vice President to send you a separate memo if he thinks it would be useful.

The President's Role

-- You set the broad direction of American foreign policy. This is neither delegated nor left to others. The priorities of this Administration are yours. These were set by the end of January 1977 and have remained constant (see Tab C).

-- You have been intensely involved in the following major areas (again reflecting your priorities) and have made the key decisions:

1. The Middle East and Camp David;

2. Our relations with the Soviet Union and People's Republic of China;

3. Defense issues and relations with our allies;

4. Nuclear nonproliferation, human rights, arms transfers and Korea, especially troop withdrawals.

The Process

-- /I did not make this point to Don, but it is worth noting./ During the transition, you decided to place more responsibility for the conduct of foreign policy in the

departments and agencies. This represented a significant departure from the highly centralized Nixon/Ford/Kissinger system. This has been accomplished.

-- Over time an informal foreign policy machinery has evolved alongside the formal system. The latter, of course, includes:

- Formal NSC meetings, chaired by you. There have been 15 such meetings since January 1977 on such issues as SALT, China, the Middle East and Iran.

- PRC and SCC meetings. The two NSC committees have met roughly an equal number of times during the first two years, with Cabinet Secretaries chairing PRC meetings and me SCC meetings.

- Reports sent to you by me on PRC/SCC deliberations, summarizing policy choices, agency positions and requesting your guidance or decision.

- Directives to the departments and agencies based on your decisions, sometimes in the form of PDs or approved summaries of conclusions.

-- The informal system that has evolved includes:

- Ad hoc NSC meetings, again chaired by you, on a subject of immediate concern. There have been about 30 such informal NSC meetings.

- The Friday morning breakfast where you raise issues yourself followed by execution by those you designate. I mentioned to Don, by the way, that at a recent breakfast we discussed Iran, China, the Middle East, Guadeloupe, and Southeast Asia regional problems.

- Weekly Vance-Brown-Brzezinski lunches, held on a rotating basis at State, the Pentagon, and here. This has proved to be an invaluable coordinating mechanism for the three of us.

-- Finally, you might discuss some key international meetings at which decisions were shaped (the two summits, the Guadeloupe meeting, Camp David, the Deng sessions) and share your impressions of the interaction.


A

THE WHITE HOUSE

WASHINGTON

February 8, 1979

MEMORANDUM TO: Dr. Brzezinski

FROM: Mary Hoyt

SUBJECT: General Themes Discussed in First Lady's Interview with Don Oberdorfer

Oberdorfer: How is the President affected by the responsibility of being "the man" in charge of nuclear policy?

Mrs. Carter: He does not dwell on it. He really believes in what Zbig calls the "framework," is comfortable with it. He and Cy assessed foreign policy at Camp David at Christmas one night, and, the next morning, discussed with their wives their views and genuine optimism about better relations around the world -- in spite of Iran. The President is comfortable with the process of making decisions, day after day, always moving ahead, she said.

(Later Oberdorfer said he felt the President was different from any other politician on the subject of nuclear weapons, and Mrs. Carter confirmed that he knew a lot about the subject, felt deeply about nuclear proliferation and the transfer of arms, and that if anything preys on his mind, it is this subject of cutting back on nuclear proliferation.)

Oberdorfer: The President often says that he does what is "right," e.g., China, Panama, the Middle East. How does he determine a standard of "rightness?"

Mrs. Carter: He does not make snap judgements, but studies all sides, weighs views of others, and what they think is right. He does not make decisions for the sake of expediency. She believes, she said -- and said that she had been told by world leaders -- that others think the President is "fair" and that other countries are not afraid that he will say one thing, do another, that they "believe in him."

Oberdorfer: Does the President have a relationship with the "charmed circle of Heads of State" that is a different quality than his relationship with others?

Mrs. Carter: You relate to those with whom you share similar problems, e.g., it was the same with Governors and with the Governor's wives. It is important to "open up with each other."

(Mrs. Carter stressed that she and the President had never thought protocol was important, e.g., that there were some subjects to be avoided, and that they both thought time was too valuable for "doubletalk," and that they felt that Heads of State appreciated that approach.)

Oberdorfer: Describe the intensity of Camp David.

Mrs. Carter: A discussion ensued about the importance of concise, 15-minute appointments preferred by the President -- and the very different kind of up-one-minute and down-the-next strain of negotiating for hours on end at Camp David. She then described the President's general personality as a non-worrier, who does not pace, who does not stay awake at nights, but who withdraws to study, read, and think when he has heavy decisions to make.

Oberdorfer: People are confused about where he really stands on the Russians.

Mrs. Carter: Ask him about it.

Mrs. Carter's other observations included information that the President will surely admit that he has made some mistakes; that he does not study now in the same way as he did in the first year; but that he gets up at 5:30 a.m. and reads about 350 pages a day, but seldom goes back to work at night. She says that he consumes books, e.g., about China. In general, the outcome of the interview was that the President has somewhat relaxed in the past year and is comfortable in his approach to foreign policy decision-making.

B

DEPARTMENT OF STATE

Washington, D.C. 20520

February 8, 1979

NODIS

MEMORANDUM FOR DR. ZBIGNIEW BRZEZINSKI
THE WHITE HOUSE

Subject: Contacts with Don Oberdorfer

Oberdorfer did not talk to Secretary Vance in the context of his project on U.S. foreign policy. He did see Deputy Secretary Christopher on January 23. Although Chris had expected Oberdorfer to cover a rather broad range of topics, the conversation was limited to three areas and is outlined briefly below.

1. Human Rights

Oberdorfer asked how the policy is carried out. Chris described the various forms of human rights diplomacy, e.g., bilateral aid, bilateral discussions, and the various decisions coming before the Interagency Group on Human Rights and Foreign Assistance.

Oberdorfer wondered how sincere the President is about the policy: Does he genuinely believe in it as a basic tenet of U.S. policy, or is it a convenient and useful public relations tool? There are some, he said, who think the former is true, and others who allege otherwise. Chris said he decidedly belongs to the first school, that based on his own observation and knowledge over a long period of time, the President is completely sincere and committed to the policy. He often is well ahead of the bureaucracy in his views.

2. Non-Proliferation

To Oberdorfer's question whether the U.S. is pushing this policy as aggressively as it once did, Chris said that it is, that the Administration remains as strongly committed to this objective as ever. This point was illustrated with examples of the President's commitment. He mentioned the excellent work of

Ambassador-at-Large (Gerard C.) Smith in this field, and the U.S. initiative in the INFCE. The President, he said, remains dedicated to the goals embraced in the non-proliferaiton policy. The two issues, Chris said, are examples of the underlying moral content in the President's foreign policy.

3. PRC - Soviet Union

The conversation touched briefly on the manner in which the U.S. should manage its relations with Moscow and Peking. In his own reflections on the matter, Chris said, a primary tenet is that an action taken with respect to one nation must be evaluated in terms of its effect on the other. He said the equivalent action obviously cannot always be taken towards both nations at the same time, because of their differing problems and stages of development.

Peter Tarnoff
Executive Secretary

