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memo w/att.	~~From Brzezinski to The President (2pp.) re: Ellsworth Bunker Mission to India~~ opened per RAC NLC-126-22-31-1-2 1/21/14	9/29/80	A

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THE WHITE HOUSE
WASHINGTON

9/30/80

Joyce Cook --

See back of card

Thanks -- Susan Clough

AMERICAN WORK HORSE MUSEUM, INC.

Susan Copley

DR. HENRY L. BUCKARDT
President

PAEONIAN SPRINGS,
VIRGINIA 22129

TELEPHONE
703-338-6290

Mr. President

We are promoting the use of work horses on small farms to save energy.
A letter of support would be very helpful.

Henry L. Buckardt

Henry L. Buckardt

September 30, 1980

To Dr. Henry Buckardt

Thank you for informing me of your plan to promote the use of work horses on small farms.

As you suggested, the harnessing of "original horsepower" in appropriate contexts can help to save some of our nonrenewable energy supplies.

You have my best wishes in your endeavors to benefit our Nation.

Sincerely,

JIMMY CARTER

Dr. Henry L. Buckardt
President
American Work Horse Museum, Inc.
Paeonian Springs, Virginia 22129

JC/JMC/pt--

60 - ORIGINAL HORSEPOWER

8010021835

2:45 PM

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September 29, 1980

PHOTO OPPORTUNITY WITH REP. JAMES CORMAN AND PETER MAX

Tuesday, September 30, 1980
2:45 p.m.(2 minutes)
Oval Office

From: Frank Moore F.M./BR

I. PURPOSE

To be photographed with Congressman Jim Corman(D-CA) and artist Peter Max as they present you with a Max lithograph

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: Peter Max has donated this lithograph of the Statue of Liberty to the Democratic Congressional Campaign Committee to raise money for Democratic candidates. It is a limited edition of 300 and sells for $1200. Max was born in Berlin and has lived in China, Tibet, Africa, France and now lives in the United States. The first thing he saw when he entered this country was the Statue of Liberty.

Congressman Corman will introduce Max, who will present you with a copy of the lithograph.

Participants: The President, Congressman Corman, Peter Max, Adam Max(his son), Libra Max(his daughter), Rose Ann Vela, Frank Moore

Press Plan: Full Press

III. TALKING POINTS

1. Thank Peter Max for his generous donation and tell him you are sure this will help Jim Corman in his efforts to assist Democratic candidates.

2. Ask Max if he would like to say a few words.

3. You should privately ask Corman how his race is going. He has a tough fight against a woman who is an anti-busing candidate(Bobbi Fiedler.)

4. You should avoid making any commitment to signatures or further promotion.

2:30 PM

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for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

C

Meeting with Ellie Smeal
Tuesday, September 30, 1980
2:30 p.m.

From: Jack Watson Jack
Sarah Weddington S.W.

I. PURPOSE: Brief meeting with the President of the National Organization for Women, Ellie Smeal, to request her support in the campaign.

II. BACKGROUND, PARTICIPANTS, PRESS:

Ellie is an important political force in the feminist community and is regarded by most as the expert on ERA, having totally dedicated the last ten years of her life to ratification. She has not participated in White House events since last December when NOW began its "Anyone but Carter" movement. She was invited to attend this spring but could not due to prior commitments in Illinois. She did attend the Women's Equality event last month.

Recently, however, several concerned women have encouraged us to make peace with each other. Consequently, we both spent two and one-half hours with her last week.

NOW has its convention in San Antonio at the end of this week. Our goals with Ellie are to get a strong anti-Reagan statement out of the convention, to prevent an Anderson endorsement by the convention, and possibly (though unlikely) to get a personal commitment to you from Ellie.

In our conversation and in conversations she has had with other people, the following seems to be her goal:

-- to make ratification of the ERA and stopping rescissions a top political priority of the Carter Administration;

-- to commit whatever White House political resources are necessary to achieve ratification;

-- to reorganize the ratification effort in the White House so that strategy comes from the President and Chief of Staff, and is executed by the policy staff, the advocacy staff, and the intergovernmental staff (taking the lead role out of women's affairs staff);

-- to concentrate the ratification drive in Florida, Oklahoma, North Carolina, Illinois, and possibly Missouri, Virginia and South Carolina.

We believe that you should tell Ellie that, based on your conversations with us, you are willing to make the commitments outlined above.

Ellie may ask you about your position on funding for Medicaid abortions.

PARTICIPANTS: Ellie Smeal, President, National Organization for Women
Jack Watson
Sarah Weddington (possibly)

PRESS: None/ WH Photo
Off the record

III. TALKING POINTS:

Ask Ellie for her suggestions on ERA and encourage her to tell you how she would like to relate to the White House on ERA strategy.

If the meeting goes will, ask for her support in the campaign. If she is unwilling to do so, ask for her to stop any endorsement of Anderson at the NOW convention.

THE WHITE HOUSE
WASHINGTON
9/30/80

Hamilton Jordan
Frank Moore
Sarah Weddington
Dick Moe

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

Rick Hutcheson

1:00

OFFICE OF THE VICE PRESIDENT

WASHINGTON

Electrostatic Copy Made
for Preservation Purposes

September 30, 1980

Dolph's ok re personal relationship - have a chance for political support I

We may

MEMORANDUM FOR THE PRESIDENT

FROM: DICK MOE

RE: Dolphe Briscoe Visit

Lloyd Hackler, who is very close to people around Briscoe, called this morning to suggest an approach to this meeting. He said it is a potential "disaster" because of Briscoe's current state of mind, particularly his unhappiness with the way he believes he's been mistreated by the Administration. The thing that really grates on him, Hackler says, is that his political enemies, Krueger and Hill, have been better treated than he has been (Krueger received a major appointment, Hill the C/M chairmanship in Texas) after all he did to help in 1976.

In addition, he's still upset with the windfall profits tax, and blames you personally for that. As a result, Briscoe has said publicly in the last few days that while he intends to vote for you, he will do so unenthusiastically and does not plan to campaign for the ticket.

Hackler suggests the following approach:

1) Acknowledge at the outset that you realize he has been mistreated, that it was inadvertent, and that you deeply regret it.

2) Indicate that the only way you could have gotten decontrol was through a windfall profits tax, and even then it was close. The important thing is that you delivered on decontrol.

3) If you win a second term, you want <u>personally</u> to keep the channels of communication open.

4) Briscoe can make the difference in Texas; if he campaigns actively in the rural areas and helps keep the conservative Democrats from going for Reagan, we can carry the state. Otherwise we may well lose Texas and possibly the election.

1:00 PM

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for Preservation Purposes

Meeting with Dolph Briscoe
Tuesday, September 30, 1980
1:00 p.m.

From: Frank Moore FM/pm
Sarah Weddington S.W.

I. PURPOSE: Brief meeting with Briscoe to discuss your desire for his support in the campaign.

II. BACKGROUND, PARTICIPANTS, PRESS:

A. BACKGROUND: As you recall, Frank Moore and Jess Hay met with Governor Briscoe four years ago and told him that "a win in Texas was up to him." The Governor worked hard for us. We set up 31 straight days of campaigning for Dolph in small- and medium-sized towns. We used his personal airplane. He did the job for us.

We spent two years looking for a suitable appointment for Dolph when he was Governor. One appointment, to be director of a joint Mexican-American screwworm program, was vetoed by Pat Lucey. The second appointment discussed was an at-large ambassadorial post for agricultural liaison with Mexico; this was vetoed by the State Department and Lucey.

After Dolph lost the primary to Hill, we again tried to find a suitable appointment for him. Nothing has ever materialized. As a result, Dolph's friends are telling him he worked hard for Jimmy Carter four years ago and never received any recognition. Janie is quick to reinforce and amplify this.

Sarah Weddington saw Governor Briscoe last Monday in Corpus. He was cordial, but the press coverage of an interview with him was not encouraging (see attached). If the story is accurate, he is primarily concerned about our positions on energy, inflation and the grain embargo.

Again, Dolph could be invaluable to us in rural Texas and with traditional, conservative Democrats. He is their leader. We need him to say to them "Jimmy Carter did thus for us

and therefore you should elect him President again."

He probably needs something to hang his hat on before he can go back out there and be enthusiastic for you again.

I doubt that there is anything we can do for him appointment-wise between now and the election. You may want to put it on a personal basis and tell him if he helps you again that you intend to run the State Department in the second term and you would like to see his talents and experience utilized.

B. PARTICIPANTS: Dolph Briscoe, former Governor of Texas
Frank Moore, Assistant to the President
Sarah Weddington, Assistant to the President

C. PRESS: None/White House Photographer OFF THE RECORD

III. TALKING POINTS:

1. Thank him for coming up to Washington.

2. Ask for his help in the campaign. We understand that he has told Reagan (via Clements) that he will not campaign for him, but we need to get him out enthusiastically for us.

IV. ADDITIONAL INFORMATION:

1. Wife's name is Janie.

2. The Animal and Plant Health Inspection Service of USDA has been working quietly and persistently with the cattle industry for several years to gain acceptance of the brucellosis eradication program. Largely they have succeeded in all states but Texas, Louisiana and Florida. Within the last year, the Florida situation has been well enough resolved that we have not had a single Congressional complaint or inquiry for several months. It has become almost that quiet in Louisiana and Texas. Governor Briscoe would like to recommend a moratorium and study commission on the brucellosis eradication program. The Governor would be open to heading such a commission. Secretary Bergland, on the

other hand, would oppose any moratorium in the eradication program. He would also recommend against creation of a new study commission if its effect would be to raise anew the brucellosis controversy I am sure that this subject will be one of the concerns that Governor Briscoe will bring up in this meeting. You may wish to suggest a meeting with Secretary Bergland if Governor Briscoe so desires.

Sources say Briscoe not likely to show candidate preference

By PAUL WEST
Washington Bureau

WASHINGTON — The presidential campaigns of Jimmy Carter and Ronald Reagan are waging a determined backstage tug-of-war for the support of former Texas Gov. Dolph Briscoe, campaign sources and Briscoe associates report.

But the state's last Democratic governor may decide to sit out the general election and keep his political preference to himself, according to sources who have spoken with Briscoe in recent days. Briscoe was unavailable for comment.



Dolph Briscoe

Although he failed to win reelection to a third term in 1978, Briscoe is thought to retain a following among rural conservatives, a key voting bloc in the presidential race in the state. In 1976, Briscoe's campaigning for Carter in rural Texas helped the former Georgia governor achieve his narrow victory over President Gerald Ford for Texas' 26 electoral votes.

This time around, however, it is the Republican candidate whose aides entertain visions of Briscoe's endorsement. The Reagan camp, anxious to capitalize on Briscoe's displeasure with Carter, has for weeks been quietly wooing the wealthy South Texas rancher.

On July 29, for example, shortly after returning from the Republican National Convention in Detroit, Gov. William P. Clements Jr. flew to Briscoe's hometown of Uvalde for an unpublicized meeting with his predecessor. The session in Briscoe's office, which Clements aides still decline to discuss, had as its ultimate goal a Briscoe endorsement of Reagan, campaign sources confirm.

Reagan strategists make no secret of their ardent desire to embarrass Carter by having Briscoe head the planned "Democrats and Independents for Reagan-Bush" organization in the state. Creation of the renegade-Democrat group, by now almost a tradition in presidential politics in Texas, is expected to be announced this week in Austin.

Friends and political associates say loyalty to the Democratic Party is all that has kept Briscoe from endorsing Carter's opponent.

"He has a long record of being a loyal Democrat. I don't see him doing anything to change that at this point in his life," one prominent Texas Democrat said, a remark echoed by several other Briscoe associates and former aides.

"I've got some fairly recent information on it," the man added. "He's decided to stay out of the presidential race altogether."

That, according to some, would relieve the worst fears of the Carter campaign, which already faces an uphill fight in Texas this fall. Publicly, however, the President's men say they still would like to win Briscoe's outright endorsement.

"We very much are seeking his active support," said Bob Beckel, Carter's Texas campaign manager. "We Democrats need, and President Carter needs, his support."

Beckel denied that Carter forces had either abandoned hope of winning Briscoe's support or were satisfied merely to have him abstain from presidential politics this year.

Others, however, suggest that the Carterites are principally concerned with keeping Briscoe's distaste for the President from spilling out in the open and becoming a campaign issue.

"He's not happy at all with Carter, but he's always avoided direct criticism of the President," said one longtime friend, who, like the others, agreed to discuss the situation only on the co dition that his name not be used.

"Dolph Briscoe is not a mean-spirited person and he does not get out and assault people politically," the friend added. "His criticism has been muted, but his feelings have been obvious to everybody around him."

Briscoe, who returned to his Uvalde County ranch last year after six years as governor, began to turn away from Carter shortly after the 1976 election.

It was during October of the 1976 campaign that candidate Carter promised Briscoe and Oklahoma Gov. David Boren that, if elected, he would decontrol the price of new natural gas. With Carter's written pledge in hand, Briscoe stumped the state, putting the squeeze on his friends in the oil business and raising votes and money for the Democratic nominee.

Within a year of Carter's inauguration, however, Briscoe and other oil-state conservatives were in Washington lobbying vigorously against the President's energy plan. Briscoe felt Carter had broken his promise by proposing the phased deregulation of natural gas — over a six-year period as finally enacted by Congress — rather than the immediate end of federal price controls.

That betrayal, in Briscoe's mind, was followed by a series of snubs, friends say, including Carter's failure to consider Briscoe for an administration job after his 1978 defeat to then-State Atty. Gen. John L. Hill in the Democratic gubernatorial primary.

Briscoe says little good about Carter this time

By DAN MALONE
Staff writer

Dolph Briscoe campaigned mightily for Jimmy Carter in 1976, but these days the former Texas governor doesn't have much good to say about the man he helped to become president.

He says the president's policies have disappointed him. Other Texas Democrats may be stumping the state with praise for Carter, but Briscoe defends his silence simply.

"I think I did enough four years ago. I'm not taking an active part in this presidential campaign," he said during a interview yesterday at a reception for State Rep. Leroy Wieting of Portland. It was one of a few political appearances he has made since vacating the governor's mansion in January 1979.

Underlying his discontent with Carter are a number of issues, among them the administration's positions on energy, inflation and its Russian grain embargo.

Briscoe said Carter's decision to halt grain shipments to the Soviet Union in response to the invasion of Afghanistan was a "tremendous mistake."

"It has not accomplished any worthwhile goal," he said.

The Carter administration's plan to fight inflation with high interest rates and unemployment is just not succeeding, he said.

And on energy, well, Briscoe said, Republican Ronald Reagan seems to be on the right track.

"Some of (Reagan's) policies, such as energy, would be more in tune with Texas interests by encouraging more production," he said.

But Briscoe wouldn't say whether he thought a Reagan presidency would be better for Texas than another four years of Carter. He said he'll leave that determination to the voters on Nov. 4.

Nor did Briscoe flatly state that he would support Carter over Reagan. He dodged that question by saying, "I've always voted a straight Democratic ticket."

Briscoe first was elected as governor in 1972, and re-elected to a four-year term in 1974. In the 1978 Democratic gubernatorial primary, Briscoe was defeated by then-Texas attorney general John Hill. Hill, in turn, was defeated by Bill Clements in November, giving Texas its first Republican governor since Reconstruction.

If Briscoe believes the Republican has made a muck of things in Austin, he isn't saying so.

When Briscoe was asked yesterday how he thought Clements was doing, all he said was: "During the last session, the Democratic leadership (of the legislature) and the governor showed a large degree of cooperation and worked very well together."

He also said he hopes Clements gets along with lawmakers during the next session as well as Briscoe said he did during the last one. The next session of the legislature begins in January 1981.

Briscoe spends his time these days tending to his ranching and banking businesses in Uvalde, his home town, he said.

While he said yesterday he has no specific plans to run for office again, he conceded he's not ruling out any opportunities.

"I miss it," the former governor said.

State Sen. Carlos Truan, who fought several battles with Briscoe, indicated his return would be welcomed in Austin. Truan also was at the reception.

"We've had some differences, but let me tell you, we miss you so much," Truan told Briscoe.

1:30

THE WHITE HOUSE

WASHINGTON

September 30, 1980

President Carter

MEMORANDUM FOR ~~PHIL WISE~~

FROM: LOUIS MARTIN

SUBJECT: PRESIDENT'S MEETING WITH PARREN MITCHELL

Congressman Parren Mitchell's meeting with the President today was arranged by Frank Moore so I have not personally talked to Parren about an agenda. I did receive two calls today from persons about an issue that may be the topic of discussion.

On July 29, 1980, the Comptroller General ruled that SBA cannot leverage against funds invested in MESBIC's. According to the caller who represents a large constituency of minority businesses, this decision virtually closes the capital market to minority businesses.

The problem was brought to Congressman Mitchell's attention shortly after the decision was rendered and he has been unsuccessful in seeking a solution to the problem. The callers stated that they had asked Congressman Mitchell to discuss this with the President.

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2:00 PM

THE WHITE HOUSE

WASHINGTON

September 29, 1980

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MEMORANDUM FOR THE PRESIDENT

FROM: GENE EIDENBERG Gene

SUBJECT: Your Meeting with Governor Bob Graham
Tuesday, September 30, 1980
2:00 p.m. (10 minutes)
Oval Office

Background

This meeting was arranged in response to the Governor's direct request to you in a telephone conversation last week.

Attendees

Governor Robert Graham
Gene Eidenberg

Press Plan

The White House photographer and members of the Florida press will be given a brief photo opportunity with you and the Governor just prior to the meeting.

Purpose

Governor Graham will, no doubt, want to discuss the refugee situation in Florida. You can make the attached major points on this subject.

TALKING POINTS

Meeting with Governor Robert Graham (Florida)
September 30, 1980

- We have made enormous progress in the last six weeks in defusing hostile feelings about the Administration's handling of the refugee situation in Florida;

- The funding problem has been alleviated. Passage today of the Stack/Fascell/Stone amendment will provide $100 million in fiscal relief to local and state governments. "Stack" authorizes impact aid to affected school districts. (We are working on the possibility of a bill signing ceremony.) The Administration will ask Congress for FY 1981 funding of Fascell/Stone, at least at the $100 million level. We are also expediting the processing of FEMA funding to state and local governments for their costs during the emergency;

- Virtually all of the refugee sites in Florida are being closed. The refugees at Eglin AFB are being consolidated at Ft. Chaffee, Arkansas. Tent City in Miami is being closed and those people are being resettled (most outside Florida). The Krome Avenue sites, used as processing centers for Cubans and Haitians, will be replaced by Fort Allen in Puerto Rico. The decision is very unpopular in Puerto Rico, but it is necessary to relieve overcrowding in the Florida sites;

- The decision of the Cuban government to suspend the boatlift and close Mariel Harbor should be very helpful. It will enable us to reduce our camp population and will offer psychological relief to those in Dade County who felt the problem was without end;

- Governor Graham has expressed repeated interest in helping with the formulation of long-term refugee policy, at least toward the Carribean and Latin America. He may suggest that, as head of the Carribean Action Commission, he undertake a mission for the Administration in this regard. He has not been very specific to date, but if he raises it, you can assure him that we are discussing this with NSC and the State Department.

- We are looking at the long-term mechanism for handling Carribean refugees who reach our shores, despite stepped up interdiction efforts. Gene will consult with you in this process.

THE WHITE HOUSE
WASHINGTON

9/30/80

ZBIG BRZEZINSKI

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

Rick Hutcheson

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~CONFIDENTIAL~~

September 29, 1980

ACTION

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI

SUBJECT: Ellsworth Bunker Mission to India (C)

State has contacted Ellsworth and it looks like the earliest practical date for him to go to Delhi is about October 20. In view of that, I think it would make sense for him to put the trip off until after our elections. He will be able to speak with much more authority after you have a renewed mandate, and there is no particular time urgency in his getting to see Indira. Some delay will also remove the appearance of his going in connection with the Iran-Iraq crisis. (C)

RECOMMENDATION:

That you approve a timing for the Bunker mission for shortly after the elections.

Approve_____ Disapprove_____

Cancel it
J

~~CONFIDENTIAL~~
Declassify on 9/26/81

DECLASSIFIED
Per, Rac Project
ESDN: NLC-126-22-31-1-2
BY KS NARA, DATE 1/13/14

MEMORANDUM

~~SECRET~~

5284

~~SECRET~~

THE WHITE HOUSE

WASHINGTON

INFORMATION

September 25, 1980

MEMORANDUM FOR: THE PRESIDENT

FROM: HENRY OWEN HO

SUBJECT: Comments on the Duncan-Yamani Conversation (U)

Although the conflict between Iran and Iraq dominates our immediate concerns about oil supply and prices, I believe the most important development on the international energy front continues to be Saudi Oil Minister Yamani's campaign to institute scheduled OPEC price adjustments indexed to OECD inflation, exchange rate movements, and OECD economic growth rates. As Charles Duncan reported in his September 19 memorandum, Yamani was confident immediately after the OPEC Vienna meeting that he could win agreement by the time of the OPEC Summit meeting in Baghdad, November 4-5. Now, of course, the Iraq-Iran war may force postponement of that meeting and possibly also prevent holding preparatory sessions, the first of which was to be in London October 14. (S)

Yamani gave Duncan a surprising assurance about the most obvious flaw in the scheme's early draft: it will, he said, contain a supply management component providing for injection of additional supplies of oil (from countries with excess capacity) into the market when a shortage threatens, as well as providing for production cuts when a glut threatens. If this is confirmed by OPEC decision, the one-sided floor price scheme that we feared was in the making could become, instead, a price-regulating system designed to bring OPEC prices gradually up to some notional parity with alternative fuels. (S)

Duncan properly sounds a note of caution on whether a supply assurance actually will be adopted by OPEC and given operational meaning. Undoubtedly any supply assurance will be loose enough to permit use of the oil weapon over Arab-Israeli issues. In addition, the price-indexation formula now proposed needs adjustment to cure its inflationary bias. (S)

Nonetheless, if Yamani is right in his optimism, we may be within hailing distance of an OPEC decision that offers a qualified promise of two years of fairly predictable gradualism in oil prices.

The next step is to work out a common response among the Summit countries to the pending OPEC price-supply strategy -- a response designed to produce needed improvements in its terms without exposing us to pressures for extraneous concessions on aid, trade and financial issues in the UN North-South arena. Charles Duncan discussed today with the Italian and French energy ministers the possibility of an October meeting of officials to this end. (S)

DECLASSIFIED
Per: Rac Project
ESDN: NLC-126-22-51-1-2
BY KG NARA DATE 1/13/14

~~SECRET~~
Review on
September 25, 1986

SECRET

THE WHITE HOUSE
WASHINGTON

9/30/80

Mr. President:

Jack Watson, Sec. Miller and Gene Eidenberg need to see you this morning about the New York bond situation. May I schedule 10 minutes before the steel announcement?

✓ ___ yes ___ no

Phil

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no need for
meeting 9/30/80

PRIVATE

ADMINISTRATIVELY
CONFIDENTIAL/NODIS

THE WHITE HOUSE

WASHINGTON

September 29, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER

SUBJECT: WORLD BANK PRESIDENCY

As agreed in our meeting Friday, I talked to George Shultz about our desire to move forward with Tom Clausen if Governor Reagan approves or has no objection.

Shultz strongly favors moving now with Clausen. He said he would talk to Bill Casey and talk to me. Later in the day he called to say that Casey agreed, but would need until Monday or Tuesday to clear with the Governor.

I have advised Bill Miller of these developments.

If we receive a favorable response from Governor Reagan, Bill will talk immediately to Clausen, who is here this week for the Bank and Fund meetings.

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cc: Jack Watson

1:30 PM
Call Joe Lowery - come visit
Bishop Brookings - MLK in Chicago

MEETING WITH CONGRESSMAN PARREN MITCHELL (D-MD)

Electrostatic Copy Made
for Preservation Purposes

Tuesday, September 30, 1980
1:30 p.m. (15 minutes)
The Oval Office

From: Frank Moore

I. PURPOSE

To address the concerns of the Congressman, as outlined in his letter to you, dated September 9, 1980. (TAB A)

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: Congressman Mitchell was the first member of the Congressional Black Caucus to endorse you, and he remains a vocal supporter.

After attempts to schedule a meeting with you failed, Parren wrote to you on September 9th, explaining in considerable detail four areas of concern he wished to discuss with you personally. These four areas are:

1. Minority Participation in Alternative Fuels and Synfuels Program
2. 1980 Procurement Goals for Minority Business Enterprise
3. National Task Force on Black Voter Participation
4. S. 2972 - The Small Business Minority Contracting Expansion Act of 1980 (The Morgan Bill)

The Congressman fully appreciates the severe constraints on your schedule that have made an earlier meeting impossible, and is very grateful for the opportunity to see you now.

B. Participants: The President, Rep. Parren Mitchell, Frank Moore, Gene Eidenberg, Karen Williams

C. Press Plan: White House Photographer only

III. TALKING POINTS

The Office of Management and Budget has provided a detailed memorandum for your use that details our response to each of the Congressman's concerns (TAB B). In addition, our response letter (dated September 26) to Mitchell's letter of September 9th, is provided for your information (TAB C).

WHIP AT LARGE

COMMITTEES:
KING, FINANCE AND URBAN AFFAIRS COMMITTEE
SUBCOMMITTEES:
MAN OF THE SUBCOMMITTEE ON IMESTIC MONETARY POLICY
GENERAL OVERSIGHT AND RENEGOTIATION
CONSUMER AFFAIRS

LL BUSINESS COMMITTEE
SUBCOMMITTEES:
ITY ENTERPRISE AND GENERAL OVERSIGHT
MAN, TASK FORCE ON MINORITY ENTERPRISE
ACCESS TO CAPITAL AND BUSINESS OPPORTUNITIES

PARREN J. MITCHELL
7TH DISTRICT, MARYLAND

Congress of the United States
House of Representatives
Washington, D.C. 20515

JOINT ECONOMIC COMMITTEE
SUBCOMMITTEES:
INTERNATIONAL ECONOMICS
PRIORITIES AND ECONOMY IN GOVERNMENT
CONGRESSIONAL BLACK CAUCUS
CHAIRMAN OF THE SUBCOMMITTEE ON HOUSING, MINORITY ENTERPRISE AND ECONOMIC DEVELOPMENT

OFFICE TELEPHONE NUMBERS:
DISTRICT OF COLUMBIA OFFICE:
202-225-4741

DISTRICT OFFICES:
FEDERAL OFFICE BUILDING
301-962-3223
BLOOMINGDALE ROAD OFFICE
301-962-4531

September 9, 1980

Ack Fm / OMB
CONGRESSIONAL
LIAISON

SEP 12 1980
004094CL

The Honorable Jimmy Carter
President of the United States of America
The White House
1600 Pennsylvania Avenue, N. W.
Washington, D. C. 20500

cc: DoE*, Eizenstat, CMRC, SBA
Kann Williams, Martin*, Pinson
Don Maggin

Dear Mr. President:

Some several weeks ago, I requested to meet with you, briefly. However, I am keenly aware of the enormous pressures on you now and, therefore, thought I would reduce to writing the four major areas I wanted to discuss.

A

Minority Participation In Alternative Fuels and Synfuels Program

Since its inception in October 1979, the Office of Minority Impact (OMI) in the Department of Energy has encountered numerous internal problems. Since the Congress recently passed the Synthetic Fuels Bill, it is important that you address these problems and hopefully correct them so that OMI can assist the minority business community in attaining their share of this $88 billion project.

First, I will address my remarks to the overall problems and then specifically the alternative fuels and synfuels issue.

The first problem OMI encountered was a delay in establishing the office. Its creation was part of the Conservation Act passed and signed into law in November 1978. The legislation stated that ninety days subsequent to its

5405

passage OMI would be established. However, the office did not open until October 1979. This created a problem because they lost a year just fighting to set up the office.

This delay also created a funding problem. According to the legislative mandate, they were authorized $3 million in fy '79, $5 million in fy '80 and $6 million in fy '81. Since they lost fy '79, the Office of Management and Budget decided to give OMI the fy '79 allocation of $3 million in 1980, thus denying the additional $2 million written into the legislation.

It seems that if the decision makers within DOE were serious about the success of the minority program, they would have given OMI their fy '80 $5 million as well as the fy '79 $3 million. The authority was present to carry-over the fy '79 alloted funds. To make matters worse, for fy '81 a budget of $3.2 million has been proposed instead of the authorized $6 million. Therefore, the program is being denied $2.8 million of authorized funds. This certainly does not appear to be a "good faith" effort to make the program work.

Another problem arises in the area of staff. Originally, OMI requested a staff of 25 as a minimum to make for an efficient operation. The final approval was for 13 full time and 4 other than full time personnel. For fy '81, they have been authorized 15 full time and 2 other than full time. Thus, OMB did not increase their total number of staff, but simply shifted two positions. This was done in light of the fact that DOE is about to fund the entire synfuels program. With that in mind, it seems apparent that OMI's involvement in that program will be minimal.

These budget and staff size problems are the more serious ones confronting OMI. If they do not get some relief, their effectiveness as advocates for the minority community will also be minimal.

Looking to the future, it is critical that some structural and procedural policy be established to assure minority participation in the synfuels program. This is not simply jobs creating legislation. It is industry-creating and will have a life duration much like the aero-space industry. If DOE is going to create an altogether new industry, minorities must carve out their niche or miss out as happened with space. Therefore, it is critical that you insist on a minority program within the larger program.

I have read Public Law 96-294 and find no specific mention of a minority program. Subtitle H, General Provisions, Section 174 does mention the establishment of an Office of Small and Disadvantaged Business Utilization. However, the section simply states that:

"In providing financial assistance, the Corporation shall require the recipient...to provide for the fair and reasonable participation by small and disadvantaged businesses..."

The above certainly does not indicate strong support for minority participation in the program.

The corporation designed to oversee the program is now on the drawing board at DOE. There will be six directors and a chairman. Some consideration should be given to a Black for a director's position. There will also be a number of vice-presidents responsible for the corporation's day to day operations. A Black should be given consideration for one of the vice-presidents' positions. The vice-presidents and the directors will have a great deal of control over the disbursement of grants and loans. Key Black appointments in these positions would benefit the Black community.

As a prelude to the synfuels bill, the Congress enacted the alternative fuels program. Because alternative fuels precedes the synfuels program, a great deal of precedent for what happens with the latter will be established by the former. Five billion dollars will be spent on the alternative fuels program. Presently DOE has completed one solicitation worth $200 million for feasibility studies and $100 million for corporate agreements. Under that particular solicitation, minorities received one contract for a feasibility study in the amount of $1.8 million. I might point out that this was a feasibility study, which is a one-time appropriation. Under corporate agreements, successful bidders will receive contracts for the commercialization of alternative fuels. Obviously, that is where the ongoing business will be found. Under the corporate agreement, minorities received no money.

The alternative fuels program is now into its second round of solicitations which close on September 30, 1980. OMI requested a set aside during the second round of solicitations. Their request was denied.

If this trend continues throughout the life of the alternative fuels and into the synfuels program, it becomes quite clear that minorities will receive a limited amount of the pie.

I have the following three specific suggestions:

(1) Establish by Executive Order (precedent for this was established as part of the #1 option adopted by the White House Conference on Small Business) a 10% set aside for minorities in the alternative fuels and synthetic fuels program.

(2) Assure that a director's position and one of the vice-presidential positions will go to a minority.

(3) Provide additional staffing and funding for the OMI.

1980 Procurement Goals for Minority Business Enterprise

It is unfortunate that again this year the federal agencies and departments will fail to meet the minority business goals. Although some of the agencies and departments have done well in meeting goals, it is clear to me that others, for example the Department of Defense, in spite of glowing rhetoric about accomplishments in the minority business enterprise area, are simply not putting forth a maximum effort. DOD, which has by far the largest procurement budget, could easily help reach the goals you announced for fy '80 by letting some pending minority business enterprise contracts. But, I doubt seriously that it will do so.

Mr. President I find it incredible that despite your commitment to minority business goals, and despite the fact that the national goal for fy '80 was established based upon agency/department input, we have again failed. Such failure taints your excellent record of support for minority business enterprise.

National Task Force on Black Voter Participation

I am indeed honored to chair this important Task Force, to date, made up of about forty nationally known Black leaders. Our first meeting held on September 3, 1980 at the D.N.C. headquarters, was successful and since that time other equally important persons have heard about the Task Force and have called me to volunteer their services.

On Wednesday, September 10, 1980, other Task Force members and I will meet with representatives of the Black media to solicit their further involvement. These citizens will be cooperative and will do many helpful things without cost, at their own initiative. However, it is imperative that the Black media share equitably in campaign advertising. I am aware that the D.N.C. operates on a daily cash flow basis. Therefore, it is most important that they share in Carter/Mondale campaign funds. I will seek a meeting with Mr. Rafshoon this week. I would appreciate it if you would express your thoughts about utilization of the Black media to him before I meet with him.

S. 2972 - The Small Business Minority Contracting Expansion Act of 1980 (the Morgan Bill)

The letter from a minority businessman,which follows, adequately and rationally spells out the dangers of the Morgan Bill.

"Several weeks ago Senator Robert Morgan (D-NC), a member of the Senate Select Committee, introduced the Small Business Minority Contracting Expansion Act of 1980, S. 2972. This bill would establish a 5-year limit on the participation of economically and socially disadvantaged firms in the contracting aspects of the Small Business Administration's (SBA) Section 8(a) Program, 15 U.S.C. sec. 637(a). We understand that hearings on S. 2972 have not yet been held. We represent several minority-owned small businesses which are currently performing government subcontracts pursuant to their certification in the SBA's Section 8(a) Program. These firms have several concerns with Senator Morgan's legislative proposal.

"First, adoption of a single hard-and-fast, inflexible rule applicable to all the many industries in which 8(a) firms are situated would be imprudent and unfair. By failing to take into account the particular problems and competitive environment of each separate industry, S. 2972 would seriously impede the efforts of numerous disadvantaged firms to achieve competitive viability -- the basic purpose of the Section 8(a) Program. Moreover, even assuming that a uniform participation period for firms in and industries represented by the Section 8(a) Portfolio would be appropriate -- a position which we flatly dispute -- you should be aware that the five-year limit in S. 2972 is considerably shorter than that considered necessary by the SBA's own Section 8(a) Review Board in 1978. See,Joint Hearings on Minority Contracting Before the Senate Select Committee on Small Business and the Subcommittee on Minority Enterprise and General Oversight of the House Committee on Small Business, 95th Congress, 2nd Session 51 (February 6, 1978).

"Second, adoption of a uniform rule would be in open conflict with the reasoned language and spirit of SBA's Section 8(a). 'Program Completion Criteria,' which take into account each firm's progress towards competitive viability on a case-by-case basis. See, e.g., 13 C.F.R. sec. 124.1-1(d).

"Third, the five-year limit on Section 8(a) Program participation in S. 2972 is premised on the belief that contract support for minority enterprises is not currently spread over a sufficiently large number of firms. See, 126 Cong. Rec. S9935-37 (daily ed. July 25, 1980) (remarks of Senator Morgan). It is not self-evident, however, that the number of

firms receiving federal contract support will be appreciably greater if a five-year limit is placed upon a firm's participation. More importantly, we see no merit in the expedient view that increasing the number of firms receiving contract support should displace the larger goal of helping small businesses become viable and competitive. Finally, given the current Administration's failure to achieve its target goal for procurement from minority firms, placing a fixed and artificial time limit on a minority firm's Section 8(a) support will actually undermine the Administration's efforts to triple federal procurement from minority firms."

Mr. President, I earnestly solicit your help in blocking this pernicious piece of legislation.

If you have questions on any of these four topics, I shall be pleased to respond to them. Of course, it will be my pleasure to meet with you when your schedule permits.

Sincerely,

Parren J. Mitchell,
Member of Congress

PJM:vc

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

MEMORANDUM FOR THE PRESIDENT

FROM: Congressional Relations

Subject: Briefing for Meeting with Congressman Parren Mitchell (D-Md)

Congressman Parren Mitchell requested a meeting to discuss the Administration's actions on several minority business issues. The meeting is scheduled for Tuesday, September 30 at 1:30, the earliest time available on your schedule.

Mitchell's Problem

Generally, Mitchell has been one of your most consistent, vocal supporters and was the first member of the Caucus to endorse your reelection. However, there are several minority business issues which are currently on the front burner that give him great concern. He believes that the white business community has launched a major attack to stop the growth of minority business. It is possible that he may blast the Administration for supporting your personal commitment to increased minority business participation with only rhetoric and not with tough decisions that result in substantial, long-term contracts.

TOPICS FOR DISCUSSION:

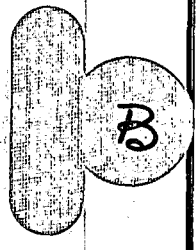
o Department of Energy: Office of Minority Impact (OMI)

Mitchell will complain that, since Congress authorized the creation of the Office of Minority Impact (OMI) in the Energy Department in October 1979, it has encountered severe internal problems: delays in Senate confirmation of a Director, funding below the authorized level and staffing constraints.

OMB has responded to Mitchell that the Administration will consider his recommendation for additional staffing and funding as it reviews the FY 1982 budget for DOE.

o Synthetic Fuels Corporation (SFC) and Alternative Fuels Program

Mitchell has proposed that a black be named a Director and that blacks be represented at the Vice-Presidential and operational levels within the corporation. Of course, you have already nominated Frank Savage to serve as a Director. His nomination is pending in the Senate. Other staffing decisions will be made by the Board of Directors. John Sawhill, Chairman-Designate, is the key to other appointments and we should agree to pass on Mitchell's request.



Mitchell has proposed that you set aside by Executive Order 10 percent of all alternative fuel and synthetic fuel grant and contractual activity for minority business. McIntyre has advised him that you do not have authority to mandate set asides to the SFC, which is an independent entity, nor is it likely that you can impose a mandatory set-aside on the alternative fuels assistance program. However, we should agree to communicate to the SFC nominees a strong request that they maximize the use of minority business firms and set goals for their programs. The Department of Energy already has been directed to give special consideration to the involvement of minority companies in the second round of alternate fuel awards and in future solicitations.

1980 Procurement Goals for Minority Business Enterprise

Mitchell will criticize us for the anticipated failure to meet our 1980 minority procurement goal. He will suggest that if DOD were to make a greater effort to award "some pending contracts" it would put us considerably closer to the goal.

Among "the pending contracts" to which he has reference is the multipurpose military vehicle (HMMV) which SBA originally targeted for inclusion in the 8(a) pilot program established by P.L. 95-507. He blames Bill Mauk, SBA Deputy Director, for many of these problems and will likely ask for his ouster.

- Jack Watson is exploring the circumstances surrounding the HMMV truck situation and will be back in touch with Mitchell. You may wish to reemphasize your commitment to maximize efforts to increase minority participation in Federal contracts and to follow-through on uncooperative Federal personnel.

- Goal of doubling procurement in 1978 achieved. We came close to tripling in 1979 but failed by about $500 million. This year we expect to triple awards above the 1977 level but will probably fall about $700 million short of our $3.8 billion goal. You may wish to acknowledge that you share his concern that implementation of P.L. 95-507 has proceeded so slowly, and will work to assure greater compliance and accountability in the next term.

- Pilot Program: The reauthorization is now pending on the Hill and we are working with Mitchell's staff to get a bill passed prior to adjournment. We concur in his analysis of the detrimental impact on minority business of Morgan's bill S.2972 and oppose its enactment.

DOD continues to be a problem. You have personally written to Harold Brown and Gene Eidenberg has met with Graham Claytor to stress the importance of meeting DOD's goal. We will ask DOD for an action plan to improve MBE in 1981 and will review evaluations for key DOD personnel to assure their achievements/failures in minority business are being considered prior to any promotion or bonus. Dale Church, one of our biggest problems, is leaving DOD next month.

- Greater success in meeting FY 1981 goals is likely for two reasons: (1) a new goal-setting process will establish goals at the beginning of the fiscal year giving agencies a full year to focus on achievement; and (2) a reporting form is being finalized that will provide information on subcontract awards.

MESBICS

Mitchell is concerned that a recent opinion from the Comptroller General may be construed as precluding SBA from leveraging funds into a MESBIC which is supported by other public financing. Several minority owned MESBICS have made commitments (about $18 million) based on the pre-decision SBA opinion that such leveraging was legal. Dan Henson of MBDA has submitted to Jim McIntyre a briefing paper on this issue which recommends that OMB and Justice look into the scope of the GAO opinion and explore the possibility for executive action. (MESBICS owners, Percy Sutton of New York and Jessie Hill of Atlanta, are affected.)

National Task Force on Voter Participation

Mitchell is the National Chairman of the DNC voter registration drive. He has sought and received the cooperation of the black media in support of this effort. In return, however, Mitchell is anxious to get some commitment for campaign advertising in the black media. Rafshoon is aware of your concern that CMRC use the black media and has already allocated $600,000 to black media, more than double the 1976 level.

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

September 26, 1980

Honorable Parren J. Mitchell
House of Representatives
Washington, D.C. 20515

Dear Mr. Mitchell:

This is in response to your letter dated September 9, 1980, to the President concerning minority involvement in the programs of the Departments of Energy and Defense.

With respect to the Office of Minority Impact (OMI) in the Department of Energy (DOE), we recognize that the establishment of that office took much longer than Congress had stated in its enabling legislation. The key problem was to find the most competent person to head the operation. As you know, the current Director, Louis F. Moret, was selected by the President in May 1979, but was not confirmed by the Senate until the latter part of September.

With respect to staffing of OMI, please bear in mind that there are strong pressures to hold down overall government employment. In turn, this limits our ability to give agencies all of the manpower they request. For this reason, it is our policy to give agencies, such as DOE, the flexibility to allocate staffing as they deem proper within established ceiling levels. Despite the overall manpower restraint, DOE management has progressively increased the OMI staff levels.

With respect to funding of OMI programs, we appreciate your concern that funding has been provided at a level less than authorized. But we would note that, of the current approved level (about $3 million), the program office has not as yet obligated any funds for loans or grants.

The FY 82 DOE budget has just been received by OMB and is undergoing its initial review, and your recommendation for additional staffing and funding of the OMI will be considered carefully during the process.

Concerning appointments to the Synthetic Fuels Corporation, the President has, as you know, nominated Deputy Secretary of Energy John C. Sawhill to be chairman of the Synthetic Fuels Corporation. Subsequent to the writing of your letter, the President nominated the other six directors, one of whom is Black. We hope that this nominee, Mr. Frank Savage, currently a Vice President and Manager of the Equitable Life Assurance Society of the U.S., will be confirmed promptly by the Senate. With respect to appointing a Black to one of the vice president positions, these positions will be filled by the Board of Directors of the Corporation and are not subject to Presidential appointment. I am sure, however, that Dr. Sawhill understands the importance of providing high-level opportunities to minority candidates and you may want to discuss staffing recommendations with him.

In addition to the Synthetic Fuels Corporation created by Public Law 96-294, there are two interim synthetic fuel programs within the DOE: a program of $2.208 billion under the Federal Non-nuclear R&D Act, as amended; and one of up to $3 billion under the Defense Production Act, as amended. The President does not have the authority to affect minority set-aside programs within the Synthetic Fuels Corporation. However, we shall ensure that the nominees for the Board of Directors are made aware of the President's desire to have appropriate minority activity concerning the new Corporation.

With regard to the Non-nuclear program or the Defense Production Act program, it is not clear that the President has the authority to impose a minority set-aside program. In any event, we find it difficult to agree to a fixed percentage set-aside for minorities. The specialized nature of the program is such that it is hard to predict the potential universe of minority participation. Nevertheless, we expect DOE to give full consideration to any qualified minority group.

The matter is further complicated by the high degree of urgency Congress has directed for the DOE alternative fuels program which requires the use of business or industrial capability that already exists. As new industry is created and develops in this field over the longer term with assistance from the Synthetic Fuels Corporation, it is expected that minority enterprises, as well, will develop such capability.

Let me assure you that the Administration is committed to increase substantially the minority business participation in contracts awarded using Federal funds. Participation by minority business enterprises should be considered in the early planning for implementation of new programs, and the process to assure minority business participation should be institutionalized in these programs -- as we will seek to assure in the case of the Corporation.

With regard to the Department of Defense, the President has written personally to Secretary Brown and directed his staff to communicate his expectation that the Department will maximize efforts to meet its goals as all agencies within the Administration have been requested to do. He plans to request Secretary Brown to submit within 30 days an action plan for increasing minority business participation in defense contracts at both prime and subcontract levels for FY 1981. He will also direct his staff to review personnel evaluations of key Defense procurement personnel to ensure that their records on achievement of minority goals are appropriately considered in such evaluations. The Administration anticipates greater success in FY 1981 for two reasons: (1) There is now a goal-setting process that will establish goals at the beginning of the fiscal year, giving agencies a full year to focus on achievement, and (2) a reporting form is being finalized that will provide detailed information on subcontracting awards.

Now that P.L. 95-507 subcontracting clauses and other 507 policies have been disseminated to procuring activities, and training programs are being develcped to educate program and procurement personnel on minority participation, better implementation of that program is anticipated which should result in a large increase in minority participation.

We concur with your assessment that S. 2972 will be detrimental to our minority business program, and we oppose its enactment.

Sincerely,

/s/ John White

cc:
ESD Official File
DO Records
Director's chron
Mr. White
Ms. Schirmer
Mr. Cutter
Congressional Relations (2)
Ms. K. Williams
Mr. Nadol
Mr. Loweth
W.H. Liaison-94 EOB

ESD/HFLoweth/JNadol/nmg 9/19/80
ESD/HFLoweth/JNadol/nmg Retyped 9/22/80
ESD/HFLoweth/JNadol/nmg p.2 retyped 9/26/80
OMB Cont. #4064 W.H.Cont. #4094CL

9/24-DO

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THE WHITE HOUSE

WASHINGTON

September 25, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON
ARNIE MILLER

SUBJECT: Assistant Secretary of Agriculture for Natural Resources and Environment
Under Secretary for Small Community and Rural Development

We join Secretary Bergland in recommending the nomination of Sydney J. Butler as Assistant Secretary for Natural Resources and Environment and Alex Mercure to be Under Secretary for Small Community and Rural Development. Both positions require confirmation by the Senate.

The Assistant Secretary for Natural Resources and Environment is primarily responsible for the administration of the U.S. Forest Service and the Soil Conservation Service.

Mr. Butler has served since 1977 at the Department of Agriculture as Deputy Assistant Secretary for Food and Consumer Services. Prior to that he was National Rural Coordinator of your Presidential Campaign and was an attorney, where his practice included work in environmental and rural and urban land use law.

The position of Under Secretary for Small Community and Rural Development was recently created by the Rural Development Policy Act. The new Under Secretary will co-chair an interagency working group of policy officials to ensure full implementation of your rural policy and will assist the Secretary of Agriculture in coordinating the various rural development activities of USDA.

Mr. Mercure has served as Assistant Secretary of Agriculture for Rural Development since 1977. Prior to joining your Administration, he served as Vice President of the University of New Mexico.

Summaries of both individuals' resumes are attached.

Recommendations

We recommend your approval of the nomination of Sid Butler to be Assistant Secretary of Agriculture for Natural Resources and Environment.

____✓____ APPROVE _____ DISAPPROVE

We recommend your approval of the nomination of Alex Mercure to be Under Secretary of Small Community and Rural Development.

____✓____ APPROVE _____ DISAPPROVE

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Sydney J. Butler

HOME:		2428 Tracy Place, NW Washington, DC 20008
AGE:		38
EDUCATION:		
	1964	BA Cum Laude, Washington and Lee University
	1967	JD, University of Virginia School of Law
EMPLOYMENT:		
	1977 - Present	Deputy Assistant Secretary for Food and Consumer Services, Department of Agriculture
	1976 - 1977	Personnel Officer, Transition Staff, Department of Agriculture
	1967 - 1976	Associate (1967-70) and Partner, Cobb, Edwards, Hamlet, Nichol and Woodall, Memphis
OTHER ACTIVITIES:		
	1976	Carter-Mondale Election Campaign, National Coordinator of Rural Campaign

White, Male
Democrat

Alex P. Mercure

HOME:		Annandale, Virginia
AGE:		49
EDUCATION:		
	1958	BS, University of New Mexico
	1962	MA, New Mexico Highlands University
EMPLOYMENT:		
	1977 - Present	Assistant Secretary of Agriculture for Rural Development
	1974 - 1977	Vice President for Regional and Community Affairs, University of New Mexico
	1971 - 1974	President, New Mexico Technical Vocational School
	1966 - 1971	Director, Home Education Livelihood Program, New Mexico Council of Churches
	1965 - 1966	Deputy Director, Home Education Livelihood Program, New Mexico Council of Churches
	1962 - 1964	Guidance Counselor, Los Lunas Consolidated Schools
	1958 - 1962	Teacher/Counselor, Chama Community Schools

Hispanic, Male
Democrat

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

September 25, 1980

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I am pleased to recommend to you for nomination Alex P. Mercure, now serving as Assistant Secretary for Rural Development, to the newly created position of Undersecretary of Agriculture for Small Community and Rural Development.

Respectfully,

BOB BERGLAND

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

September 25, 1980

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I am pleased to recommend to you for nomination Sydney J. Butler, now serving as Deputy Assistant Secretary of Agriculture for Food and Consumer Services, to the position of Assistant Secretary, Natural Resources and Environment.

Respectfully,

BOB BERGLAND

THE WHITE HOUSE
WASHINGTON

9/30/80

FRANK MOORE

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

Rick Hutcheson

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

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

ACTION	FYI	
		VICE PRESIDENT
		JORDAN
		CUTLER
		DONOVAN
		EIDENBERG
		EIZENSTAT
		MCDONALD
✓		MOORE
		POWELL
		WATSON
		WEDDINGTON
		WEXLER
		BRZEZINSKI
		MCINTYRE
		SCHULTZE
		ANDRUS
		ASKEW
		BERGLAND
		BROWN
		CIVILETTI
		DUNCAN
		GOLDSCHMIDT
		HARRIS
		HUFSTEDLER
		LANDRIEU
		MARSHALL

	MILLER
	MUSKIE
	AIELLO
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	FIRST LADY
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	MARTIN
	MILLER
	MOE
	MOSES
	PETERSON
	PRESS
	RECORDS
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	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

THE WHITE HOUSE

WASHINGTON

September 29, 1980

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for Preservation Purposes

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE FTM/ejs

SUBJECT: LETTER FROM SENATOR ROBERT BYRD ALLEGING INTERFERENCE BY ADMINISTRATOR JOAN CLAYBROOK

Per your instructions on your Summary of Congressional Mail for September 23, attached is a copy of Senator Robert Byrd's letter alleging that Administrator Joan Claybrook interfered with the drafting of his amendment to S. 1159, the authorizing legislation for the National Highway Safety Administration. The Conference report has now been completed and was passed by the Senate on September 25. The provisions which Senator Byrd favored are included.

I have been informed by officials in OMB that Administrator Claybrook remained neutral on the question of bumper impact standards, since this was an issue disputed by Senators Byrd and Magnuson. Senator Byrd wanted lower standards to benefit West Virginia steel manufacturers, whereas Senator Magnuson wanted higher standards to help the West Coast aluminum industry. Ms. Claybrook's efforts to influence the Conference Committee centered on the bill's provisions which alter air bag regulations and were unsuccessful.

If you approve, I will send the attached letter to Senator Byrd.

cc: Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

September 29, 1980

Dear Senator Byrd:

The President has asked me to respond to your letter of September 18 regarding Administrator Claybrook's involvement in the drafting of the Conference report for S. 1159, the authorizing legislation for the National Highway Traffic Safety Administration. As you know, this report has been completed and was passed by the Senate on September 25. It is now before the House.

I have looked into this matter and have been informed that Ms. Claybrook's activities regarding this legislation were confined virtually exclusively to the issue of air bag regulations and did not include bumper impact standards. I am pleased that the Conference report has now been filed and acted on by the Senate, and I hope that an acceptable bill can be placed on the President's desk shortly.

Sincerely,

Frank Moore
Assistant to the President
for Congressional Liaison

The Honorable Robert C. Byrd
United States Senate
Washington, D.C. 20510

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PAUL LAXALT, NEV.
JAKE GARN, UTAH
HARRISON SCHMITT, N. MEX.

United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, D.C. 20510

September 18, 1980

OMB CONGRESSIONAL LIAISON

SEP 23 1980

UU4161CL

cc: DOT/Tade

The President
The White House
Washington, D. C.

Dear Mr. President:

This letter will follow up our telephone conversation earlier today regarding my amendment to the National Highway Traffic Safety Administration (NHTSA) authorization bill, S. 1159.

For over two years I have been attempting to find a solution to the controversy created by the imposition by NHTSA of the 5.0-miles-per-hour bumper impact standard, part of NHTSA's implementation of the Motor Vehicle Information and Cost Savings Act.

In 1978, I succeeded in earmarking $300,000 in the FY 1979 Department of Transportation Appropriations Bill to direct NHTSA Administrator, Joan Claybrook, to undertake an initial cost-benefit study of the 5.0 mph bumper standard as required by the Motor Vehicle Information and Cost Savings Act. The conclusions of that study were released by Joan Claybrook on June 1, 1979, and were immediately criticized as being biased toward the 5.0 mph standard by the use of unrealistic gasoline prices and unrealistic estimates of secondary weight removal. These biases continued, although slightly modified, in Mrs. Claybrook's corrected report published in January 1980.

The Council on Wage and Price Stability, in a February 26, 1980, letter to me, indicated their support of my position in the matter, stating:

> "On the basis of the limited evidence that we have examined, we believe that the net social benefits associated with the 2.5 m.p.h. standard are greater than for the 5.0 m.p.h. standard."

COWPS had made its initial analysis available to Joan Claybrook in July 1979, after NHTSA's first report was issued, and had requested other information from NHTSA, which further supported its position and led to the above-quoted statement.

The Department of Energy advised NHTSA in November 1979 that a change to the 2.5 mph bumper standard would effect a savings of 1.2 billion gallons of gasoline per model year.

SU05

On July 11, 1979, I sponsored an amendment to S. 1159, the NHTSA authorization bill, to mandate a reduction in the bumper standard to 2.5 mph for a period to extend through 1984 so that the lower standard could be evaluated on the basis of current, credible data. NHTSA and Joan Claybrook have been afforded every opportunity to testify on the subject, in the appropriate manner, before the responsible committees. In fact, NHTSA testified on this subject before the Consumer Subcommittee of the Senate Committee on Commerce, Science, and Transportation; before the Consumer Protection and Finance Subcommittee of the House Interstate and Foreign Commerce Committee; and before the Transportation Subcommittee of the Senate Approprations Committee.

On July 31, 1980, the Joint Committee on Conference on S. 1159, reached agreement on the bill, a process which had taken two months of work by the Conferees, and included approval of my amendment, modifying it to reduce the time period for the evaluation to extend through 1982. The staff was instructed to draft language for the Conference Report.

Since that time, I understand that the staff has been unable to reach agreement on report language, largely because of the interference of Joan Claybrook, who, I am advised, personally scrutinizes every word that has been proposed for that report. I understand further that several attempts have been made to subvert the agreement made by the Conferees on my amendment by attempts to put forth alternate proposals propounded by Mrs. Claybrook. While, on occasion, technical advice might be sought from an agency by Conference Committee staff in refining conference report language, the instant situation appears to go far beyond "technical advice."

The various agencies and departments of the Executive Branch of our government have an important advisory function in the formulation of legislation. In this instance, however, Mrs. Claybrook has gone beyond this advisory capacity and appears to be attempting to controvert the expressed intent of the Joint Committee on Conference.

With best regards.

Sincerely yours,

Robert C. Byrd

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL ON WAGE AND PRICE STABILITY
WINDER BUILDING, 600 - 17TH STREET, NW.
WASHINGTON, D.C. 20506

FEB 26 1980

ROBERT C. BYRD
FEB 27
UNITED STATES SENATE

Honorable Robert C. Byrd
United States Senate
Washington, D. C. 20510

Dear Senator Byrd:

In your letter of January 29, you asked me to clarify the Council's position on the National Highway Traffic Safety Administration's (NHTSA) 5.0 m.p.h. bumper standard. We continue to believe that NHTSA has not shown that the 5.0 m.p.h. bumper standard is preferable. The outcome of NHTSA's cost-benefit analysis of this issue is quite sensitive to engineering assumptions and economic forecasts that are questionable.

The Council limited its inquiry to the question of whether there is a sound basis for reopening the proceeding that resulted in the 5.0 m.p.h. standard. Having concluded that there is serious doubt about the relative merit of the current standard, we urged NHTSA to institute a new rulemaking as the logical next step following the recently completed study phase that the Congress directed NHTSA to undertake. A new rulemaking also would best satisfy the spirit of Section 4 of Executive Order 12044 concerning periodic review of existing regulations. Such an administrative mechanism seems preferable to further legislative action at this time because the numerous remaining technical issues can best be resolved in such a public rulemaking proceeding.

When I wrote to you on January 25, we thought that NHTSA was about to undertake a rulemaking on pedestrian safety standards that would offer a prompt opportunity to reconsider the 5.0 m.p.h. bumper standard. Since that letter was sent, however, we have learned that the proposal of a new pedestrian safety standard is not as imminent as we had thought. Apparently, therefore, we are not able to have all of the questions of property damage and pedestrian safety considered at one time expeditiously. On the basis of the limited evidence that we have examined, we believe that the net social benefits associated with the 2.5 m.p.h. standard are greater than for the 5.0 m.p.h. standard. Accordingly, we believe that NHTSA should now reopen the bumper damageability standard.

Sincerely,

R. Robert Russell
Director

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: SEP 23, 1980

FROM	SUBJECT	DISPOSITION	COMMENTS
SEN. ROBERT BYRD (D) - WEST VIRGINIA	COMPLAINS THAT JOAN CLAYBROOK HAS INTERFERED WITH THE EFFORT BY THE STAFF OF THE CONFERENCE COMMITTEE ON S. 1159, THE AUTHORIZATION BILL FOR THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINSTRATION, TO PREPARE A FINAL DRAFT OF HIS AMENDMENT TO REDUCE THE 5.0 MPH BUMPER IMPACT STANDARD TO 2.5 MPH THROUGH 1982; NOTES THAT COWPS AND DOE, AS WELL AS THE CONFERENCE COMMITTEE ITSELF, SUPPORT THIS PROPOSED REDUCTION; BELIEVES ADMINISTRATOR CLAYBROOK IS ATTEMPTING TO UNDERMINE THE COMMITTEE'S DECISION TO APPROVE HIS AMENDMENT AND HAS THEREFORE EXCEEDED THE BOUNDS OF MERE "TECHNICAL ASSISTANCE."	ACKNOWLEDGED BY FM REFERRED TO: OMB CC:DOT cc to me	Susan 9/ C
REP. JIM WRIGHT (D) - TEXAS	CONCERNED OVER THE IMPACT OF THE RECENT SUPREME COURT RULING THAT LOCAL SCHOOL DISTRICTS MUST EDUCATE THE CHILDREN OF ILLEGAL ALIENS; ARGUES THAT THE FEDERAL GOVERNMENT SHOULD ASSIST IN PAYING FOR THESE SERVICES; RECOMMENDS DECLARING A TWO-WEEK AMNESTY TO ALLOW ALL UNDOCUMENTED ALIENS TO REGISTER, ISSUING ONE-YEAR, RENEWABLE GUEST WORKER PASSES TO THE REGISTRANTS, AND PROVIDING SUPPLEMENTAL ASSISTANCE TO SCHOOL DISTRICTS, BASED ON THE NUMBER OF THE CHILDREN OF REGISTERED ALIENS IN EACH DISTRICT; ADDS THAT THIS PROGRAM WOULD PREVENT THE EXPLOITATION OF ILLEGAL ALIENS AND REDUCE UNFAIR COMPETITION AGAINST U.S. WORKERS.	ACKNOWLEDGED BY FM REFERRED TO: DOJ	
EP. JOHN BURTON (D) - CALIFORNIA	CONCERNED OVER REPORTS OF STATEMENTS BY SEVERAL OFFICIALS TO THE EFFECT THAT THE ADMINISTRATION IS RECONSIDERING THE METHOD OF COMPUTING THE CONSUMER PRICE INDEX AND INDEXING SOCIAL SECURITY BENEFITS; REQUESTS PROMPT ASSURANCES THAT THE ADMINISTRATION WILL NOT CHANGE THESE CALCULATIONS WITHOUT CONGRESSIONAL APPROVAL; "CAN I TELL MY ELDERLY CONSTITUENTS THAT I HAVE YOUR PROMISE?"	ACKNOWLEDGED BY FM REFERRED TO: OMB CC:CEA	

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THE WHITE HOUSE
WASHINGTON

9/30/80

ARNIE MILLER

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

Rick Hutcheson

cc: JACK WATSON

ok
J

THE WHITE HOUSE

WASHINGTON

September 29, 1980

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MEMORANDUM FOR THE PRESIDENT

FROM: ARNIE MILLER AM

SUBJECT: Response to Your Inquiry About the Time Required to Process Nominations

After you decide whom to nominate for any position, we initiate the following process:

1. Send FBI and Conflict of Interest forms to the nominee - typically it takes two weeks to receive them back completed.

2. We then send the forms to Lloyd's office which begins clearances:

   a. The FBI full field investigation usually takes 4-6 weeks; if there are a number of nominations in the system this may take longer.

   b. Conflict of Interest clearances are usually completed by the Counsel's office within two weeks from the time they receive them.

3. Concurrent with the start of the FBI check, we request to clear the prospective appointee with appropriate Members of Congress - this has at times taken as long 5-6 weeks to complete. We also notify Governors, Mayors, State Party Chairmen, our campaign people and other interested supporters during this period.

When these steps are completed we then submit the formal nomination papers to you. If a complication develops in any of these clearances, the process obviously lengthens.

Complications did arise in the three cases you questioned. In two instances the FBI identified issues that needed to be resolved before we could clear them. In the other, your selection withdrew when her mother became seriously ill. This delayed initiating the clearances until she reconsidered and agreed to serve.

We have worked closely with Frank and Lloyd's people to expedite these clearances and have found some ways to save time.

(212) 682-7184

Jade info

15

EDWARD J. CLEARY

SECRETARY-TREASURER

NEW YORK STATE - NEW YORK CITY

BUILDING & CONSTRUCTION TRADES COUNCIL AFL-CIO

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211 EAST 43RD STREET
NEW YORK, N. Y. 10017

Seneca - N.Y.
70 million dollar
Gasahol plant go ahead
being fought by Farm
Bureau - both on finance
& Davis Bacon -

THE WHITE HOUSE
WASHINGTON

(A)

Working together,

A healthy and modern steel industry is vital to our nation's economy and to our nation's security. We now have a good opportunity to revitalize this basic industry.

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Gordon Stewart
A-1; 9/27/80
Scheduled Delivery:
Tues., Sept. 30, 1980

SUSAN CARDS

Talking Points for Steel Announcement

1. ECONOMICALLY, OUR NATION IS LIVING IN A NEW WORLD. WE MUST MEET FOREIGN COMPETITION, REVERSE OUR DECLINING PRODUCTIVITY, ~~PROTECT~~ PROTECT THE ENVIRONMENT, AND CREATE JOBS FOR A GROWING WORKFORCE. THESE ARE SERIOUS CHALLENGES. THEY ARE INTER-RELATED. THEY REQUIRE THOUGHTFUL, LONG-RANGE ATTACKS ON MANY FRONTS. IN TODAY'S REAL WORLD, A QUICK FIX OF ONE PROBLEM USUALLY MEANS QUICK TROUBLE WITH ANOTHER. ~~AND SIMPLE CURE-ALLS, SUCH AS MASSIVE TAX CUTS, TURN OUT TO BE ONLY PRESCRIPTIONS FOR FUTURE INFLATION.~~

2. A FEW WEEKS AGO I PRESENTED TO THE NATION A THOROUGH PLAN FOR REBUILDING THE INDUSTRIAL BASE OF AMERICA. ITS CAREFULLY-TARGETED PUBLIC AND PRIVATE INVESTMENT PROGRAMS WILL PUT PEOPLE BACK TO WORK ATTACKING THE TWO LONG RANGE PROBLEMS OF DECLINING PRODUCTIVITY AND ENERGY DEPENDENCE THAT BROUGHT US HIGH INFLATION AND UNEMPLOYMENT IN THE FIRST PLACE. WE WILL MODERNIZE OUR INDUSTRIAL CAPACITY, ADVANCE OUR TECHNOLOGY, CREATE NEW SKILLS AND JOBS, REBUILD OUR TRANSPORTATION SYSTEMS, REDUCE OUR ENERGY DEPENDENCE, AND REGAIN OUR COMPETITIVE EDGE.

3. THESE GOALS CAN ONLY BE MET BY CREATING A NEW SPIRIT OF DETERMINED CO-OPERATION. THE COMPREHENSIVE STEEL AGREEMENT WE HAVE REACHED IS PROOF THAT ~~IN AMERICA AS WELL AS IN COUNTRIES LIKE JAPAN AND WEST GERMANY~~ OTHER INDUSTRIAL NATIONS THE PROPER ROLE OF GOVERNMENT IS TO BE A PARTNER IN ECONOMIC CHANGE, NOT AN IMPEDIMENT OR AN INDIFFERENT SPECTATOR.

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4. THE AMERICAN STEEL INDUSTRY IS OUR THIRD LARGEST, ~~AFTER~~ only exceeded by PETROLEUM AND AUTOMOBILES. RESOLVING CONFLICTS AMONG BUSINESS, LABOR, AND GOVERNMENT IN THE STEEL INDUSTRY ~~IS~~ HAS NOT BEEN A SIMPLE MATTER OF "GETTING OFF EACH OTHERS' BACKS" -- IT ~~MEANS SITTING~~ HAS REQUIRED US TO ~~DOWN~~ WORK TOGETHER AND TO HAMMER ~~OUT~~ OUT WAYS TO KEEP AMERICA PRODUCING AND WORKING.

5. THE STEEL TRIPARTITE ADVISORY COMMITTEE HAS WORKED HUNDREDS OF HOURS OVER TWO YEARS REVIEWING EVERY POSSIBLE APPROACH TO THIS INDUSTRY'S FUTURE. THEIR HARD WORK HAS SHOWN THAT THIS INDUSTRY CAN MODERNIZE, THAT IT CAN DO SO IN A WAY THAT PROTECTS OUR ENVIRONMENT, AND THAT IT HAS THE WILL TO REGAIN ITS COMPETITIVENESS AND HEALTH.

6. ~~THIS WEEK,~~ THE COMMITTEE ~~GAVE~~ HAS GIVEN ME THEIR CONCLUSIONS ON ~~WAYS~~ HOW THE FEDERAL GOVERNMENT CAN HELP THE INDUSTRY IN ITS OWN EFFORTS. ~~THE COMMITTEE~~ THEY HAVE RECOMMENDED TO ME POLICIES THAT WILL:

- ¶ HELP WORKERS, THEIR FAMILIES AND STEELMAKING COMMUNITIES OVERCOME THE CHALLENGES OF RESTRUCTURED STEEL INDUSTRY.
- ¶ ASSIST IN CAPITAL FORMATION AND INCREASE INVESTMENT.
- ¶ DISCOVER AND DEVELOP NEW TECHNOLOGIES.
- ¶ MAINTAIN FAIR, ~~AND~~ FREE and TRADE.
- ¶ GUARANTEE THAT THE INDUSTRY CAN AND WILL MEET OUR ENVIRONMENTAL REQUIREMENTS.

7. I AM PLEASED TO BE ABLE TO ACCEPT THE THRUST OF THEIR RECOMMENDATIONS AND I HAVE PROPOSED WAYS TO ACHIEVE THEM IN A DETAILED STATEMENT WE ARE RELEASING TODAY. SECRETARY

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Mr. President,

One point that we neglect when we talk about revitalizing our basic industries is the national security argument. We just cannot be a world power if we do not have the industrial base to produce ships, tanks, planes, etc. A nation of white collar workers sitting in office towers cannot be military strong — not because you can't teach an insurance agent to drive a tank but because an insurance company can't build a tank. I suggest a line like this:

NOT ONLY IS THE REVITALIZATION OF THESE ~~OUR~~ BASIC INDUSTRIES ~~SUCH AS STEEL~~ IMPORTANT TO OUR ECONOMIC ~~SECURITY~~ HEALTH, IT IS VITAL TO OUR NATIONAL SECURITY. NO NATION CAN BE A WORLD POWER WITH THE ABILITY TO DEFEND ITSELF - TO DETER AGGRESSION - NO NATION CAN ADEQUATELY DEFEND ITSELF WITHOUT A STRONG INDUSTRIAL BASE TO PRODUCE THE NECESSARY IMPLEMENTS OF NATIONAL DEFENSE.

ok to insert

NECESSARY PRESERVE

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KLUTZNICK, SECRETARY MARSHALL, DOUG COSTLE, AMBASSADOR ASKEW AND STU EIZENSTAT WILL NOW PRESENT THE ELEMENTS OF THAT PROGRAM.

8. ON BEHALF OF THE WORKERS, MANAGERS, AND COMMUNITIES WHO GIVE LIFE TO ONE OF AMERICA'S VITAL INDUSTRIES, I WANT TO THANK The ies of Commerce and Labor ~~SECRETARY KLUTZNICK, SECRETARY MARSHALL~~, AND ALL THE MEMBERS OF THE COMMITTEE FOR THEIR EFFORTS. THEY HAVE PROVEN THAT THE PROPER ROLE OF GOVERNMENT IN OUR ECONOMY IS IN HELPING OUR INDUSTRY AND OUR WORKERS TO HELP AMERICA -- AND THAT IS THE PATH TO A BETTER FUTURE, which I AM DETERMINED OUR NATION WILL FOLLOW.

# # #

Re 11:00

THE WHITE HOUSE

WASHINGTON

C

September 30, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Frank Moore

SUBJECT: Status of IMF Legislation

The status of the IMF legislation is as follows. Authorization has passed both Houses. Appropriations are now hung up in Danny Inouye's Senate Subcommittee. Jake Garn is blocking it. Treasury has had former Secretaries Simon and Kennedy call Garn. They are also asking J.D. Williams, who has some stroke with Garn, to call on him today. If Garn's objection was lifted it would sail.

IMF will continue to operate at current levels.

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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

ACTION

September 26, 1980

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI

SUBJECT: Proposed Award of the Presidential Unit Citation

Attached is a memorandum from Secretary Brown concurring in the Secretary of the Navy's proposal of the Presidential Unit Citation award to the USS PARCHE (SSN 683) for extraordinary heroism in connection with a highly unique classified mission in 1979.

I concur with Harold's recommendation that you sign the attached citation.

2 Atchs

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1779

NAME Edward Boland

TITLE Congressman

CITY/STATE Massachusetts

Phone Number--Home ( )

Work (202) 225-5601

Other (413) 734-1739 residence in Mass.

Requested by Frank Moore

Date of Request 9/26/80

INFORMATION (Continued on back if necessary)

The Congressman needs to be called regarding New York City guarantees. Talking points on attached memo.

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NOTES: (Date of Call)

Not made

STEEL ANNOUNCEMENT SEPTEMBER 30, 1980

A HEALTHY & MODERN STEEL INDUSTRY
IS VITAL TO OUR NATION'S ECONOMY & TO OUR NATION'S SECURITY.

WORKING TOGETHER,
WE NOW HAVE A GOOD OPPORTUNITY TO REVITALIZE THIS BASIC INDUSTRY.

ECONOMICALLY, OUR NATION IS LIVING IN A NEW WORLD.

WE MUST MEET FOREIGN COMPETITION,
REVERSE OUR DECLINING PRODUCTIVITY,
PROTECT THE ENVIRONMENT,
& CREATE JOBS FOR A GROWING WORKFORCE.

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THESE ARE SERIOUS CHALLENGES.

THEY ARE INTERRELATED.

THEY REQUIRE THOUGHTFUL, LONG-RANGE ATTACKS ON MANY FRONTS.

(=OVER=) (IN TODAY'S.....)

1. IN TODAY'S REAL WORLD,
2. A "QUICK FIX" OF ONE PROBLEM USUALLY MEANS QUICK TROUBLE WITH ANOTHER./
3. A FEW WEEKS AGO I PRESENTED TO THE NATION
4. A THOROUGH PLAN FOR REBUILDING THE INDUSTRIAL BASE OF AMERICA.
5. ITS CAREFULLY-TARGETED PUBLIC & PRIVATE INVESTEMENT PROGRAMS
6. WILL PUT PEOPLE BACK TO WORK
7. ATTACKING THE TWO LONG-RANGE PROBLEMS OF DECLINING PRODUCTIVITY & ENERGY DEPENDENCE
8. THAT BROUGHT US HIGH INFLATION & UNEMPLOYMENT IN THE 1ST PLACE.

(NEW CARD=) (WE WILL.....)

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THE AMERICAN STEEL INDUSTRY IS OUR 3RD LARGEST,
EXCEEDED ONLY BY PETROLEUM & AUTOMOBILES./
NOT ONLY IS THE REVITALIZATION OF THESE BASIC INDUSTRIES
IMPORTANT TO OUR ECONOMIC HEALTH,
IT IS NECESSARY TO PRESERVE OUR NATIONAL SECURITY.
NO NATION CAN BE A WORLD POWER
WITH THE ABILITY TO DEFEND ITSELF -- TO DETER AGGRESSION.--
NO NATION CAN ADEQUATELY DEFEND ITSELF
WITHOUT A STRONG INDUSTRIAL BASE
TO PROVIDE THE NECESSARY IMPLEMENTS OF NATIONAL DEFENSE./

(=NEW CARD=) (RESOLVING CONFLICTS...

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RESOLVING CONFLICTS
AMONG BUSINESS, LABOR, & GOVERNMENT IN THE STEEL INDUSTRY
HAS NOT BEEN A SIMPLE MATTER OF "GETTING OFF EACH OTHER'S BACKS" --
IT HAS REQUIRED US TO WORK TOGETHER
& TO HAMMER OUT WAYS TO KEEP AMERICA PRODUCING & WORKING.
THE STEEL TRIPARTITE ADVISORY COMMITTEE
HAS WORKED HUNDREDS OF HOURS OVER 2 YEARS
REVIEWING EVERY POSSIBLE APPROACH TO THIS INDUSTRY'S FUTURE.
THEIR HARD WORK HAS SHOWN
•THAT THIS INDUSTRY CAN MODERNIZE,
•THAT IT CAN DO SO IN A WAY THAT PROTECTS OUR ENVIRONMENT,
AND THAT IT HAS THE WILL TO REGAIN ITS COMPETITIVENESS & HEALTH.

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(=OVER=) (THE COMMITTEE....)

THE COMMITTEE HAS NOW GIVEN ME THEIR CONCLUSIONS
ON HOW THE FEDERAL GOVT. CAN HELP THE INDUSTRY IN ITS OWN EFFORTS.
THEY HAVE RECOMMENDED TO ME POLICIES THAT WILL:

- HELP WORKERS, THEIR FAMILIES & STEELMAKING COMMUNITIES
- OVERCOME THE CHALLENGES OF A RESTRUCTURED STEEL INDUSTRY.
- ASSIST IN CAPITAL FORMATION & INCREASE INVESTMENT.
- DISCOVER & DEVELOP NEW TECHNOLOGIES.
- MAINTAIN FREE & FAIR TRADE.
- GUARANTEE THAT THE INDUSTRY CAN & WILL MEET OUR ENVIRONMENTAL REQUIREMENTS.

(=NEW CARD=) (I AM PLEASED...)

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I AM PLEASED TO BE ABLE TO ACCEPT THE THRUST OF THEIR RECOMMENDATIONS
AND I HAVE PROPOSED WAYS TO ACHIEVE THEM
IN A DETAILED STATEMENT WE ARE RELEASING TODAY.
SECRETARY KLUTZNICK, SECRETARY MARSHALL,
DOUG COSTLE, AMBASSADOR ASKEW, & STU EIZENSTAT
WILL NOW PRESENT THE ELEMENTS OF THAT PROGRAM.

(=OVER=) (ON BEHALF OF.....)

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1. ON BEHALF OF THE WORKERS,
   MANAGERS,
   & COMMUNITIES
   WHO GIVE LIFE TO ONE OF AMERICA'S VITAL INDUSTRIES,
2. I WANT TO THANK THE SECRETARIES OF COMMERCE & LABOR
   & ALL THE MEMBERS OF THE COMMITTEE FOR THEIR EFFORTS.
4. THEY HAVE PROVEN THAT THE PROPER ROLE OF GOVERNMENT IN OUR ECONOMY
5. IS IN HELPING OUR INDUSTRY & OUR WORKERS TO HELP AMERICA --
6. AND THAT IS THE PATH TO A BETTER FUTURE
7. WHICH I AM DETERMINED OUR NATION WILL FOLLOW./

# # #

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12:05 PM

THE WHITE HOUSE

WASHINGTON

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September 29, 1980

PRESENTATION OF THE HARVARD ENCYCLOPEDIA OF AMERICAN ETHNIC GROUPS

Tuesday, September 30, 1980
12:05 a.m. (3 minutes)
The Oval Office

From: Frank Moore FM.

I. PURPOSE

To present the newly published Harvard Encyclopedia of American Ethnic Groups.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: The Harvard University Press has just published the Harvard Encyclopedia of American Ethnic Groups. The 1300 page book describes in depth the 106 ethnic groups which make up the United States. This is the first book of its kind and is a systematic, comprehensive study of the peoples of America -- from prominent groups such as the Italians, Irish, and Jews, to less familiar groups such as the Assyrians, Latvians and Wends.

Speaker O'Neill originally requested the meeting in a letter to you dated July 29. You agreed to the meeting by noting it on your mail log. Unfortunately, the Speaker will not be able to attend the presentation.

Participants: The President, Stephen A. Thernstrom, editor of the Encyclopedia, Abigail and Samuel Thernstrom, wife and son of the editor; Ann Orlov, Joy Pratt and Maud Wilcox of the Harvard University Press; Joe Duffy of National Endowment for the Humanities.

Press Plan: AP and UPI photographers, White House photographer.

III. TALKING POINTS

Usual courtesies.

10:00 AM

THE WHITE HOUSE

WASHINGTON

September 30, 1980

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STEEL POLICY ANNOUNCEMENT

Tuesday, September 30, 1980
10:00 a.m., Room 450

From: Stu Eizenstat
Josh Gotbaum

I. PURPOSE

To announce your steel program to members of the press and brief them on its details.

II. PARTICIPANTS, AGENDA AND PRESS PLAN

A. Audience. The audience will include both general and trade press, as well as government staff that worked on the program.

B. Agenda. You will open the briefing between 10:00 and 10:10 a.m. with remarks that stress the importance of the industry and of the cooperation that the Steel Tripartite Advisory Committee has developed. (These remarks are not attached to this memorandum. Jody will provide the speechwriters' final draft, along with his comments, before the announcement.) Recommendations for acknowledgements during your remarks will be provided immediately before the briefing. After you complete your remarks, you should turn over the program to Phil Klutznick and Stu, who will conduct the remainder of the briefing with Doug Costle and Reuben Askew.

C. Press Plan. There will be full press coverage, including television crews.

III. TALKING POINTS

These will be provided by Jody immediately before the briefing. As was the case last night, they do not include even a listing of the measures in the program. We have again provided such a list, should you decide it appropriate to mention them.

This is a good program. It will provide relief, now and in the years to come, through

-- tax measures to spur investment, including accelerated depreciation and a refundable tax credit;

-- reinstatement of the Trigger Price Mechanism, to help ensure prompt enforcement of our trade laws;

-- increased Federal funding of research and development, including cooperative research with industry;

-- a program for compliance with environmental statutes that will ensure that the industry can and will at last comply with our environmental statutes while modernizing;

-- job training and community assistance programs for workers and communities affected by economic change;

-- continued cooperation between industry and government.

9/30/80

TIM FINCHEM

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

Rick Hutcheson

12:00 PM

CARTER/MONDALE RE-ELECTION COMMITTEE, INC.

Robert S. Strauss, Chairman
Tim Kraft, National Campaign Manager
S. Lee Kling, Treasurer

2000 L STREET, N.W., WASHINGTON, D.C. 20036 (202) 887-4700

Tim - I'm glad to do this, but I'm not going to set quotas for people to raise. T

September 29, 1980

MEMORANDUM FOR THE PRESIDENT

THRU: RICK HUTCHESON

FROM: TIM FINCHEM

SUBJECT: BRIEF MEETING AND PHOTO OPPORTUNITY FOR MAURICE GREENBERG

DATE: Tuesday, September 30, 1980

TIME: 12:00 noon

PLACE: Oval Office

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I. PURPOSE

To have picture taken with Maurice Greenberg and to thank him for his past support and ask for his assistance on our DNC fundraiser to be held in New York City on October 20th.

II. BACKGROUND, PRESS PLAN AND PARTICIPANTS

A. Background: Maurice Greenberg is President of American International Group in New York which is the largest independent insurance company in the country. He has been very helpful to us in our past fundraising efforts in New York.

We will be holding our largest fundraiser of the campaign for the DNC in New York on the night of October 20th. Senator Kennedy will be there with you, and while we have a current projection on the event of $600,000, we think there is potential to raise $1.5 million with the proper effort.

Greenberg, who is key to our New York fundraising effort, will be leaving the country for a month on October 5th. He has the capability to raise probably $100,000 in four or five days if properly motivated. He will be seeing Chairman Strauss at 10:00 a.m. on Tuesday, September 30th, and Chairman Strauss will accompany him over to the White House.

Paid for by the Carter/Mondale Re-Election Committee, Inc.

Talking Points:

(1) Explain the necessity of raising in excess of $1 million at the dinner in New York on October 20th.

(2) Explain that it is vital that key individuals like himself make a major effort to make the dinner a success by raising $100,000 or more.

(3) Ask Mr. Greenberg for his help.

B. Press Plan: White House Photographer

C. Participants: Maurice Greenberg (Accompanied by Chairman Strauss)

cc: Sarah Weddington

CHAIRMAN JAMAL (JA-MAL), MR. DE LAROSIERE (DUH LA-ROSEY-AIR),
MR. McNAMARA, GOVERNORS OF THE FUND & BANK,
DISTINGUISHED DELEGATES & GUESTS:/
IT IS A PLEASURE TO WELCOME YOU TO WASHINGTON
FOR THE 35TH ANNUAL MEETING OF THESE 2 GREAT INSTITUTIONS./
IT IS A SPECIAL PLEASURE TO WELCOME ALL NEW MEMBERS.//
YOUR PRESENCE HERE SYMBOLIZES THE COMMITMENT OF MORE THAN 140 COUNTRIES
TO A DYNAMIC SYSTEM OF INTERNATIONAL ECONOMIC COOPERATION,
AND TO ITS CENTRAL INSTITUTIONS -- THE INTERNATIONAL MONETARY FUND
& THE WORLD BANK./

(=OVER=) (YOUR COMMITMENT.....)

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YOUR COMMITMENT STRENGTHENS THE PROSPECTS FOR LASTING WORLD PEACE,
BECAUSE PEACE CANNOT BE ASSURED IF HUNDREDS OF MILLIONS OF PEOPLE
ARE OFFERED NO HOPE OF ESCAPE FROM POVERTY & ECONOMIC INSTABILITY.
THE BANK & THE FUND PROVIDE THAT HOPE.//
BOTH THEY ARE RAPIDLY ADAPTING TO NEW CHALLENGES.
WE SUPPORT THIS PROCESS OF CHANGE.
THE RESPONSE TO A CHANGING WORLD
CAN BEST BE CHARTED WITHIN THESE INSTITUTIONS,
ACTING IN YOUR OWN FIELDS OF COMPETENCE & EXPERIENCE./
YOUR WORK SHOULD NOT BE DIVERTED BY EXTRANEOUS POLITICAL DISPUTES.
AND AS YOU MOLD & ADAPT, YOU MUST BE ASSURED
THAT YOUR DECISIONS WILL NOT BE DETERMINED OR RENEGOTIATED
IN SOME OTHER SETTING./ (=NEW CARD=) (YOUR RECORD OF.....)

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1. YOUR RECORD OF SUCCESS JUSTIFIES THIS VOTE OF CONFIDENCE./
2. ANY POLITICAL PRESSURE OR UNWARRANTED INFLUENCE
3. FROM ANY INTERNATIONAL FORUM WHICH MIGHT UNDERMINE YOUR INTEGRITY
4. WOULD BE NEITHER NECESSARY NOR DESIRABLE.//
5. THE FUND IS THE WORLD'S PRINCIPAL OFFICIAL SOURCE
6. OF BALANCE-OF-PAYMENTS FINANCING.
7. SO FAR THIS YEAR,
8. FUND PROGRAMS OF MORE THAN $5½ BILLION HAVE BEEN ARRANGED.
9. EVEN MORE IS NEEDED,
10. AND ACTION IS UNDER WAY TO EXPAND THESE RESOURCES.
11. THE "IMF" IS ALSO ADOPTING IMPORTANT CHANGES IN POLICY,
12. MAKING IT MORE RESPONSIVE TO THE CHANGING NEEDS & CONCERNS OF ITS MEMBERS./

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(=OVER=) (DURING THE.....)

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1. DURING THE LAST 12 MONTHS,
2. THE WORLD BANK GROUP HAS LENT MORE THAN $12 BILLION
3. TO DEVELOPING MEMBER COUNTRIES.
4. NEARLY $4 BILLION OF THAT
5. WAS PROVIDED ON CONCESSIONAL TERMS TO THE POOREST COUNTRIES./
6. THE BANK IS MOUNTING INITIATIVES
7. TO ENABLE DEVELOPING COUNTRIES TO FIND & PRODUCE MORE ENERGY
8. WHILE ALSO CARRYING OUT OTHER IMPORTANT BANK PROGRAMS./
9. AN ENLARGED WORLD BANK PROGRAM FOR ENERGY EXPLORATION & DEVELOPMENT
10. WOULD BENEFIT US ALL.//
11. THE WORLD BANK HAS ALSO LAUNCHED A PROGRAM OF LENDING & ADVISORY SERVICES
12. TO HELP DEVELOPING COUNTRIES
13. MAKE THE STRUCTURAL ADJUSTMENTS REQUIRED BY HIGHER ENERGY PRICES.//

(=NEW CARD=) (I CANNOT DISCUSS.....)

I CANNOT DISCUSS THE ROLE OF THE WORLD BANK WITHOUT PAYING TRIBUTE TO THE LEADERSHIP & DEDICATION OF ROBERT McNAMARA OVER THE LAST 12 YEARS.

UNDER BOB McNAMARA'S OUTSTANDING LEADERSHIP, THE BANK HAS BECOME THE FOCUS OF WORLD COOPERATION TO IMPROVE THE HUMAN CONDITION, AND A FINE EXAMPLE OF HOW SUCH COOPERATION CAN BE EFFECTIVE.

BOB, YOU WILL LEAVE TO YOUR SUCCESSOR A HIGH STANDARD & A FIRM FOUNDATION FOR THE FUTURE.

U.S. SUPPORT OF THE FUND & BANK REFLECTS BOTH OUR FUNDAMENTAL HUMANITARIAN PRINCIPLES & OUR ECONOMIC INTERESTS.

(=OVER=) (LEGISLATION ENABLING.....)

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LEGISLATION ENABLING OUR PARTICIPATION IN THE "IMF" QUOTA INCREASE
PASSED THE ~~CONGRESS~~ HOUSE OF REPRESENTATIVES LAST WEEK. I AM PRESSING FOR PASSAGE IN THE SEN
I WILL SIGN THE LEGISLATION AS SOON AS IT REACHES MY DESK.
MOREOVER, I WILL URGE THE CONGRESS
TO GIVE HIGH PRIORITY TO THE 6TH "IDA" REPLENISHMENT LATER THIS YEAR.
NEXT YEAR WE WILL SUBMIT LEGISLATION
FOR OUR SUBSCRIPTION TO THE GENERAL CAPITAL INCREASE OF THE WORLD BANK.
BOTH THE FUND & THE WORLD BANK GROUP
MUST HAVE ALL THE RESOURCES THEY NEED FOR THEIR WORK.
LET ME ALSO MENTION SEVERAL OTHER STEPS THE U.S. HAS TAKEN
THAT WILL HELP STABILIZE THE WORLD ECONOMY.

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(NEW CARD=) (WE HAVE ADOPTED.....)

WE HAVE ADOPTED A STRONG ANTI-INFLATION PROGRAM
OF FISCAL & MONETARY RESTRAINT./

WE HAVE BEGUN A NATIONWIDE PROGRAM
TO REVITALIZE OUR INDUSTRIAL BASE
AND TO ACCELERATE PRODUCTIVITY GROWTH.

THIS NEW PROGRAM
- WILL INCREASE THE PORTION OF OUR "GNP" DEVOTED TO INVESTMENT,
- WILL REDUCE INFLATION,
- AND WILL RESTORE INNOVATION & VIGOR TO OUR ECONOMY.//

(=OVER=) (WE HAVE ALSO.....)

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WE HAVE ALSO PUT IN PLACE
A COMPREHENSIVE PROGRAM TO REBUILD OUR ENERGY BASE.
THIS NEW PROGRAM IS ALREADY BEARING FRUIT.
IN THE LAST 3 YEARS, WE HAVE REDUCED OIL IMPORTS BY 24%.
WE ARE DRILLING MORE OIL & GAS WELLS THIS YEAR,
& PRODUCING MORE COAL -- THAN EVER IN OUR HISTORY.
WE ARE ACTING TO ENSURE THAT THE UNITED STATES
CAN MEET MUCH OF THE WORLD'S NEEDS FOR COAL.
WE HAVE STARTED A MASSIVE INVESTMENT PROGRAM
TO INCREASE PRODUCTION OF SYNTHETIC FUELS.
WE ARE SPENDING $4 BILLION A YEAR ON ENERGY RESEARCH & DEVELOPMENT,
AND ADDITIONAL BILLIONS ON INCENTIVES TO USE ENERGY MORE EFFICIENTLY
IN OUR HOMES, OUR INDUSTRIES, OUR COMMERCE, & OUR TRANSPORTATION.

(=NEW CARD=) (THE WORLD'S.....)

A3

BECAUSE OF SUSTAINED PRODUCTION & WORLDWIDE CONSERVATION EFFORTS

1. THE WORLD'S OIL STOCKS ARE AT AN ALL-TIME HIGH,
2. AND THESE RESERVES WILL HELP TO OFFSET
3. THE EFFECT OF TEMPORARY REDUCTIONS IN SUPPLY,
4. SUCH AS THAT CAUSED BY THE PRESENT CONFLICT BETWEEN IRAN & IRAQ.
5. HOWEVER, WE ARE KEENLY AWARE
6. THAT SOME NATIONS ARE SERIOUSLY THREATENED
7. BY EVEN A TEMPORARY INTERRUPTION.
8. THUS WE ARE WORKING TO END THIS CONFLICT AS QUICKLY AS POSSIBLE. //
9. OUR ENERGY PROGRAM IS PART OF A FAR-REACHING EFFORT
10. TO WHICH WE PLEDGED OURSELVES AT THE VENICE ECONOMIC SUMMIT.

(=OVER=) (THE COMMON GOAL.....)

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A3

1. THE COMMON GOAL ADOPTED THERE
2. ◦IS TO CONSERVE MORE OIL
3. ◦AND TO PRODUCE THE EQUIVALENT IN ALTERNATIVE FUELS
4. OF 15 TO 20 MILLION BARRELS OF OIL PER DAY BY THE END OF THIS DECADE./
5. THIS WILL EASE PRESSURE ON WORLD OIL MARKETS, ALLEVIATE
   ~~EASE~~ BALANCE-OF-PAYMENTS PROBLEMS,
   & LET DEVELOPING COUNTRIES//
   OBTAIN A LARGER SHARE OF THE WORLD OIL SUPPLY./

(=NEW CARD=) (THE COMMON PURPOSE..)

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A3

1. THE COMMON PURPOSE OF ALL COUNTRIES
2. IN BOTH ~~THEIR~~ OUR DOMESTIC & INTERNATIONAL ENERGY ACTIONS
3. SHOULD BE TO STRENGTHEN THE WORLD ECONOMY
4. AND TO ASSURE FAIR TREATMENT FOR ALL NATIONS.
5. OUR COMMON GOAL SHOULD BE:
6. ○ TO MINIMIZE THE THREAT OF ABRUPT CHANGES IN THE PRICE OF OIL;
7. ○ TO ASSURE A REASONABLY PREDICTABLE LEVEL OF SUPPLY;
8. ○ TO AVOID COMPOUNDING INFLATION.
9. THE OIL-IMPORTING COUNTRIES & THE OIL EXPORTING COUNTRIES
10. CAN ALL CONTRIBUTE TO THIS EFFORT.
11. THEY ALL HAVE A STAKE IN THE OUTCOME.

(=OVER=) (THIS MEETING COMES.....)

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A3

1. THIS MEETING COMES AT A CRITICAL TIME FOR US ALL.
2. THE WORLD HAS COME TO PLACE ENORMOUS CONFIDENCE
3. IN YOUR JUDGMENT
4. AND IN THE WORLD OF THE BANK & FUND.
5. THAT CONFIDENCE HAS NEVER BEEN MISPLACED.
6. AND I AM CERTAIN THAT IT WILL BE EVEN MORE JUSTIFIED IN THE FUTURE.
7. ON BEHALF OF THE UNITED STATES,
8. I ASSURE YOU THAT WE INTEND TO REMAIN ACTIVE IN THE DECISIONS & SUPPORTIVE OF THE WORK TO COME.

# # #

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THE WHITE HOUSE
WASHINGTON

9/30/80

GENE EIDENBERG

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

Rick Hutcheson

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

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

ACTION	FYI	
		VICE PRESIDENT
		JORDAN
		CUTLER
		DONOVAN
/		EIDENBERG
		EIZENSTAT
		MCDONALD
		MOORE
		POWELL
		WATSON
		WEDDINGTON
		WEXLER
		BRZEZINSKI
		MCINTYRE
		SCHULTZE
		ANDRUS
		ASKEW
		BERGLAND
		BROWN
		CIVILETTI
		DUNCAN
		GOLDSCHMIDT
		HARRIS
		HUFSTEDLER
		LANDRIEU
		MARSHALL

	MILLER
	MUSKIE
	AIELLO
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	FIRST LADY
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	MARTIN
	MILLER
	MOE
	MOSES
	PETERSON
	PRESS
	RECORDS
	SANDERS
	SHEPPARD
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

JUL 7 1980
RECEIVED
JUL

Gene -
Check on
this.

BANKHEAD FOREST INDUSTRIES, INC.

GRAYSON, ALABAMA 35562 PHONE 205/292- 3231

July 1, 1980

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Congressman Tom Bevill
1312 Highway 78 East (Bypass)
Jasper, Alabama 35501

Dear Congressman:

I want you to know that my family, myself, and the people in the area of Grayson, Alabama deeply appreciate your concern and help up to this point. This statement is structured so because I know that we are going to have to ask further assistance from you.

To give you better insight as to our history and present status:

1. We came to Grayson, Alabama in May, 1971. The mill was running 1 week each month working 70 people, and losing money. Within a year, we were working about 350 people and making a lot of money.

2. In 1973, we bought the Armstrong Flooring Plant and kilns and built a $2,000,000 sawmill in Stevenson, Alabama.

3. In 1976, we built a Hardwood Sawmill in Thomasville, Alabama and a chemical company (Chemwood) in Selma.

The 1974, 1975, and 1976 Depression in the lumber industry forced us to sell the above operations. However, they are all continuing to operate.

During the 9 years that we have been back in Alabama, we have created over 1,000 jobs. These accomplishments have been on our own, with commercial money.

We are now in a position that without Federal assistance, we will lose Grayson, Alabama. This constitutes the loss of some 225 present jobs, a historic community built explicitly to cut Forest Service timber. It would also leave some 40 families without water as the mill furnishes water for these people, as well as homes for 17 families. It is also possible that it would result in the loss of the Post Office here in Grayson.

Winston County already has the highest unemployment rate of any county in the state. Should this mill cease to exist, that constitutes not only the loss of a community but a large portion of Winston County whose inhabitants are dependent on this operation.

The proposal that we have submitted to FmHA would create an additional 125 jobs by building a mill to cut hardwood only. This facility is necessary, and is backed up by a letter from the Forest Service. It states that their cutting plan is to start harvesting timber that was left standing (to grow) when the first removal of sawtimber began in 1942.

Congressman Bevill, we are not asking for a handout, but simply monetary assistance that will be repaid. We are asking for another chance to keep Grayson, Alabama and the surrounding area alive and on the map. This request for help has a very definite humanitarian aspect in that it affects the lives and livelihood of so many people, people who have been here all their lives, cannot read or write and have very little likelihood of other employment.

Another thing I feel I should bring to your attention is that in not operating, there is a loss of approximately $500,000 annually in Federal and State taxes and revenue. In operation (with the new sawmill), we would be contributing approximately $700,000 annually. Additionally, we project annual sales of $6,500,000, with 35% of this being in export sales. (Letters of verification enclosed)

I mentioned that we came back to Alabama in 1971. I was born and raised in Boligee, Alabama, attended the University of Alabama, and played football on the 1944-45 teams (Sugar and Rose Bowl).

Our younger son is finishing at the University of Alabama tomorrow. His ambition is to come back to Grayson and make a success of this operation. He has programmed his education so that he will have as good an insight on the business world as can be gotten at the University.

Seems accurate
J.C.

THE WHITE HOUSE

WASHINGTON

September 26, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER
ALFRED H. MOSES

SUBJECT: Senate Subcommittee Investigation of Billy Carter/ Libya

The Subcommittee decided on Wednesday, September 24 not to request a meeting with you but instead to submit written questions by the Subcommittee's counsel to White House counsel requesting information as to your knowledge of certain events.

The Subcommittee's letter is at Tab A.

Our draft response which we wish to review with you is attached at Tab B.

We have not drafted an answer to the last question in the Subcommittee letter which deals with your knowledge concerning four telephone calls between November 19 and November 21, 1979. You were at Camp David on these three days returning to the White House for an NSC meeting on Tuesday, November 20, and returning that afternoon to Camp David. Thursday, November 22 was Thanksgiving. Attached at Tab C is the information we have obtained from the telephone logs concerning the four calls.

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THE WHITE HOUSE

WASHINGTON

September 30, 1980

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MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON
ARNIE MILLER

SUBJECT: National Transportation Safety Board (NTSB) - PAS
Elwood T. Driver (Reappointment)

You nominated Elwood Thomas Driver, of Virginia, to be a Member of NTSB in January 1978. In September 1978, you designated him as Vice Chairman.

Driver is an articulate and effective Member. He is considered an expert in highway traffic safety matters. Driver is highly regarded by his colleagues on the Board, Members of Congress and the transportation community.

The Senate Commerce Committee will waive a confirmation hearing if this nomination is received prior to adjournment.

We join NTSB Chairman Jim King in recommending that Driver be reappointed as a Member, and again designated as Vice Chairman. Neil Goldschmidt, Stu and Frank Moore concur.

RECOMMENDATIONS

Nominate Elwood Thomas Driver, of Virginia, to be a Member of the National Transportation Safety Board, for a term expiring December 31, 1985 (reappointment).

✓ approve _____ disapprove

Designate Elwood Thomas Driver as Vice Chairman of the National Transportation Safety Board, for a term of two years.

✓ approve _____ disapprove

All necessary checks have been completed. The nomination can be sent to the Senate if you sign the attached document.

ELWOOD THOMAS DRIVER
Virginia

EXPERIENCE

1978 - Date	Vice Chairman and Member National Transportation Safety Board
1977 - 1978	Acting Associate Administrator for Rulemaking National Highway Traffic Safety Administration Department of Transportation
1971 - 1977	Director, Office of Crash Avoidance National Highway Traffic Safety Administration Department of Transportation
1967 - 1971	Chief, Division of Safety Standards for Motor Vehicles in Use National Highway Safety Bureau Department of Transportation
1962 - 1967	Chief, System Safety Engineering and Management North American Aviation

MILITARY

1942 - 1962	United States Air Force

EDUCATION

1965	University of Washington at Seattle Special Course in Safety Engineering
1964	University of Southern California Special Course in Safety Engineering
1946	New York University, M.A. (Safety)
1942	New Jersey State College, B.S. (Math and Science)

PERSONAL

Black Male
Age 59
Democrat

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

September 29, 1980

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze CLS

Subject: Leading Economic Indicators for August
(to be released at 9:30 a.m., Tuesday)

For the third month in a row the index of leading indicators rose. It was a healthy increase (1.9 percent) although less than last month's 3.7 percent.

Unlike July -- when every component of the index rose -- there were both pluses and minuses in August.

While the index itself adds little to what we already know, it is one more confirmation that the economy is no longer declining but is on the rise -- at least for the time being.

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THE WHITE HOUSE
WASHINGTON

9/30/80

ATTORNEY GENERAL CIVILETTI
JACK WATSON

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

Rick Hutcheson

send or is to Civiletti

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

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

ACTION	FYI		
		VICE PRESIDENT	
		JORDAN	
		CUTLER	
		DONOVAN	
		EIDENBERG	
		EIZENSTAT	
		MCDONALD	
		MOORE	
		POWELL	
✓		WATSON	
		WEDDINGTON	
		WEXLER	
		BRZEZINSKI	
		MCINTYRE	
		SCHULTZE	
		ANDRUS	
		ASKEW	
		BERGLAND	
		BROWN	
		CIVILETTI	
		DUNCAN	
		GOLDSCHMIDT	
		HARRIS	
		HUFSTEDLER	
		LANDRIEU	
		MARSHALL	

	MILLER
	MUSKIE
	AIELLO
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	FIRST LADY
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	MARTIN
	MILLER
	MOE
	MOSES
	PETERSON
	PRESS
	RECORDS
	SANDERS
	SHEPPARD
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

THE WHITE HOUSE

WASHINGTON

September 30, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON

SUBJECT: Press Response to Chicago Desegregation Plan

I thought you would like to see the editorial reactions of the Chicago Sun Times and the Tribune to the consent order in the Chicago public school desegregation case. The formulation of the consent order and the explanation of the whole matter to the Chicago media were handled very well by the Justice Department, and specifically by Drew Days. It appears that we have substantially defused an explosive issue.

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cc Ben Civiletti
Best Days
Well Done!
Jimmy C.

Sun-Times
Friday, September 26, 1980 Page 49 **Editorials**

An independent newspaper, dedicated to championing individual freedom, to exposing abuse of the public trust and to fostering a healthy environment, a sound economy and a just society.

Good news on school plan

It's a big jump from guidelines to plans, and there's another vast distance between creating a plan and fulfilling it. Still, the news from Wednesday's Board of Education meeting should draw cheers from around the city.

Chicago now has fair, workable ground rules for a desegregation agreement. It looks as if a long, bitter court battle can be avoided.

And, what is critically important, the plan will be produced locally by thinking human beings—not by electronic calculators or robots in Washington. We are not likely to see a repeat of last year's foolish proposal by the Health, Education and Welfare Department to transport 120,000 children, many of them to distant parts of the city.

There are a number of reassuring elements in the settlement worked out by board members and the Justice Department:

- At last, Chicago has a School Board with the will and the energy to take the initiative in desegregation planning. The Rev. Kenneth B. Smith, board president, and Joyce A. Hughes, a law professor and head of the board's student desegregation committee, merit special thanks for their leadership in negotiating the new agreement.
- Probably because of their leadership (and, possibly, because there happens to be a presidential election in five weeks) the Justice Department is giving the school system broad discretionary power to develop a plan that makes sense for Chicago in the 1980s.
- For the first time, federal officials are acknowledging that governments and agencies other than the Chicago school system are responsible for the city's pattern of racially segregated schools. The Justice Department will investigate the roles played by the state and the suburbs. It has pledged to help Chicago get federal money—and possibly state money—to make integration work and to provide enrichment programs for the many schools that will have to remain unintegrated.

Also, Attorney General Benjamin R. Civiletti is talking about federal assistance to achieve the best possible desegregation program: helping minorities get jobs and housing in the suburbs, and helping the city expand its shrinking number of white families.

What, precisely, will the plan be? Certainly, a combination of magnet schools, new attendance boundaries and some required busing. The board promises that Chicago's communities will have a voice in preparing the details. And that, too, is good news.

Chicago Tribune

FOUNDED June 10, 1847

STANTON R. COOK, *Chairman and Publisher*
CLAYTON KIRKPATRICK, *President*
HAROLD R. LIFVENDAHL, *General Manager*

MAXWELL MCCROHON, *Editor* | WILLIAM H. JONES, *Managing Editor* | JOHN MCCUTCHEON, *Editorial Page Editor*

Better than a bitter lawsuit

In a matter of hours on Wednesday, the Chicago Board of Education and the United States Department of Justice formalized an agreement on what clearly appears the most realistic available course of action in the long controversy over segregation of pupils in the Chicago public schools. The terms of a complaint and a consent decree were made known to the school administration and to the public, the Board of Education unanimously accepted the consent decree, and the complaint and decree were filed with District Court Judge Milton I. Shadur, who approved the decree.

These swift actions have many positive dimensions. They mean that Chicago will be spared, for now at least, the ordeal of a federal court case which the school board could not hope to win. As the board said in its resolution providing for the execution and filing of the consent decree, "litigation over desegregation liability issues would be protracted, divisive in the community rather than healing, and wasteful of resources that can better be devoted to achieving the educational goals of the school system." This belief is well grounded in the relevant facts.

The terms of the decree are encouraging. Perhaps the most important single sentence is this: "The parties recognize that courts have not required specific racial ratios in schools as a necessary remedy in desegregation cases, that racial and ethnic balance throughout the Chicago School District is neither practicable nor required, and that no particular definition of a desegregated school is required." With this sentence, the Department of Justice abandons the rigid numbers game with arbitrary quotas that has been played long and unproductively by the Office for Civil Rights of the former HEW Department and by the Illinois Board of Education. If HEW had been willing to take the position Justice has taken, the history of the desegregation controversy in Chicago would have been different and happier.

The quoted sentence states what Justice recognizes is not required. The decree is wholly lacking in specifics as to what is or will be required. It is in large part an agreement to agree in the future, rather than an agreement now.

The agreed process calls for the appointment of a consultant or consultants, for monthly progress reports, ultimately for public hearings on the not yet formulated plan, for adoption of a plan by March 11, 1981, and for implementation of the plan in September, 1981. The language of the decree is vague enough to permit either a wise and sensible plan or a doctrinaire and counterproductive plan.

The decree contains these sentences: the allegations of the complaint in this action. It recognizes, however, that the Chicago school system is characterized by substantial racial isolation of students." The Board is spared pleading guilty in so many words to the severe accusations and judgments stated in the complaint of the Department of Justice. This, too, is to the good. There is nothing to be gained by searching for villains. The Supreme Court rulings in the Columbus and Dayton cases show that in influencing its decision the question of guilt has been overshadowed by the mere presence of "substantial racial isolation," however caused.

So now the Board of Education and the Department of Justice will work on a desegregation plan, with any disagreements referred to Judge Shadur for decision. The school board is still free to propose, but first Justice and then the courts will dispose.

Inevitable speculation about what to expect must of course be tentative. The abandonment, in the consent decree, of the old numbers game feeds the hope that the federal personnel who will rule may be ready to move to a second generation of desegregation strategies—to measures more concerned with education than with racial head counts and the moving of bodies. We all must wait and see.

In appointing consultants, the school board should be careful to choose candidates who are identified not with the sterile numerical approach, but rather with a demonstrated interest in the quality of education.

A final positive element in the consent decree is that it calls for no precipitate action other than moving the point of ultimate decision into the courts. Nobody will be shoved around before the election of 1980—or, indeed, during the 1980-'81 school year. With reason and tolerance, it should be possible by then to achieve the first stated objective of the consent decree: "the establishment of the greatest practicable number of stably desegregated schools, considering all the circumstances in Chicago."

In 1964, the Chicago Board of Education said much the same: "We reaffirm and publicly declare a policy of racial integration. We shall endeavor to effect the development of a continuous program to achieve this goal."

And who is Judge Shadur? Long a resident of Glencoe, he came on the federal bench as recently as last June. In his career as a practicing attorney, his name repeatedly figured in good company in speculation about judicial appointments. He has not yet had time to make much of any record on the federal bench. The present case presents him with a notable responsibility and

THE WHITE HOUSE

WASHINGTON

To Ambassador Rodney Kennedy-Minott

Thank you for your letter, and I accept with regret your resignation as Ambassador to Sweden, effective on a date to be determined. In doing so, I want to commend you for the contributions you have made to US-Swedish relations during your tour as my representative.

I am particularly glad to note that our ties with Sweden are now as strong as they have ever been and that our consultations and cooperation with the Swedish government on both bilateral and world problems have, during your tenure, been close and wide-ranging. I also appreciate very much the efforts you made on the most successful visits by Prime Minister Ullsten to the United States and by the Vice President and Mrs. Mondale to Sweden. Both those occasions underlined the shared values of the United States and Sweden and did much to promote our policy interests.

As you take leave of your office and return to private life, I would again like to thank you for your support and for your service to our country.

Sincerely,

Jimmy Carter

The Honorable Rodney Kennedy-Minott
American Ambassador
Stockholm

P.S. I am grateful to you & to your entire family -