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THE WHITE HOUSE
WASHINGTON

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

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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

		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING

		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		STRAUSS
		WELLS
		VOORDE

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Bob Lipshutz
Frank Moore

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

Rick Hutcheson

Re: American Public Opinion
Toward the Panama Canal -
A Nationwide Survey



AMERICAN PUBLIC OPINION TOWARD THE PANAMA CANAL: A NATIONWIDE SURVEY

A NATIONAL SURVEY CONDUCTED BY OPINION RESEARCH CORPORATION FOR THE INSTITUTE OF AMERICAN RELATIONS

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AMERICAN PUBLIC OPINION TOWARD THE PANAMA CANAL: A NATIONWIDE SURVEY

Fundamental to any reasonable discussion of inter-American issues is an understanding of exactly how the American people themselves feel about those issues. Certainly this is the case with an issue as widely discussed and debated as the future of the Panama Canal.

The question of the future of the Panama Canal has been thrust into the forefront of public discussion in the past several months. On occasion, the debate over the Canal's future has become quite heated, with a number of viewpoints presented, often widely divergent.

Because of the continuing public interest over the question of the Panama Canal's future status, The Institute of American Relations commissioned Opinion Research Corporation of Princeton, New Jersey, one of American's leading polling organizations, to conduct a nationwide public opinion survey dealing with the Panama Canal.

Opinion Research has been polling on this issue for the past three years. What follows are Opinion Research Corporation's findings.

The Institute of American Relations is a publicly-supported, non-partisan educational institution dedicated to a better public understanding of the United States and its position in world affairs. The Institute undertakes original research, conducts seminars, and publishes articles and books based on its findings.

The Institute welcomes public comment on its activities and public support of its work. All contributions to the Institute are tax-exempt.

ABOUT THE SURVEY

Research Procedures

The findings presented in this report are based on telephone interviews with a national probability sample of 1,011 adults age 18 and over. The interviewing was conducted during the period of May 4-7, 1977. All interviewing was conducted by experienced interviewers from a central WATS facility, with constant supervision.

A technical explanation of sampling methods used by Opinion Research Corporation in conducting this survey is included as an appendix at the conclusion of the survey findings.

Sample Objectives

The purpose was to obtain from a representative sample of the American public attitudes and opinions with regard to the Panama Canal in the following areas:

1. Awareness of treaty negotiations on the Panama Canal
2. Ownership of the Panama Canal

SUMMARY OF FINDINGS

MOST OF THE PUBLIC ARE STILL UNAWARE OF NEGOTIATIONS ON A NEW PANAMA CANAL TREATY.

The level of awareness, however, continues to increase — steadily, but slowly.

Awareness of New Panama Canal Treaty Negotiations

Q. 1 *"As you may know, the Panama Canal is the waterway in Central America that connects the Atlantic and Pacific Oceans. The United States secured full ownership and control of the Canal Zone by way of a treaty signed with the Republic of Panama in 1903. How much, if anything, have you heard or read about the possibility of negotiations on a new Panama Canal Treaty – a great deal, a fair amount, very little, or nothing at all?"*

	Total Public					
	Current Survey		April 1976 Survey		June 1975 Survey	
A great deal	11%	37%	5%	30%	5%	18%
A fair amount	26		25		13	
Very little	42	(62)	39	(69)	42	(80)
Nothing at all	20		30		38	
Don't know	1		1		2	
(Number of interviews)	(1,011)		(1,017)		(1,021)	

OVER THREE-FOURTHS OF THE PUBLIC FAVOR CONTINUED U.S. OWNERSHIP OF THE PANAMA CANAL.

Only about one person in twelve favors Panamanian ownership of the Canal. Favor for U.S. ownership remains at the same high level of a year ago.

U.S. Vs. Panamanian Ownership of the Panama Canal.

Q. 2 *"Do you favor the United States continuing its ownership and control of the Panama Canal, or do you favor turning ownership and control of the Panama Canal over to the Republic of Panama?"*

	Total Public		
	Current Survey	April 1976 Survey	June 1975 Survey
U.S. continuing ownership and control	(78%)	(75%)	(66%)
Turning ownership and control over to Panama	8	12	12
No opinion	14	12	22
(Number of interviews)	(1,011)	(1,017)	(1,021)

Favor for continued U.S. ownership remains a high level among all population subgroups studied.

HOW MUCH, IF ANYTHING, HAVE YOU HEARD OR READ ABOUT THE POSSIBILITY OF NEGOTIATIONS ON A NEW PANAMA CANAL TREATY — A GREAT DEAL, A FAIR AMOUNT, VERY LITTLE, OR NOTHING AT ALL

	PERCENTAGE BASE UNWTD	WTD	A GREAT DEAL	A FAIR AMOUNT	VERY LITTLE	NOTHING AT ALL	DON'T KNOW
TOTAL PUBLIC	1011	1506	11	26	42	20	1
EAST	246	358	12	30	38	19	1
MIDWEST	291	398	9	26	45	20	*
SOUTH	299	477	9	23	42	23	3
WEST	175	274	14	25	43	17	1
MALE	501	711	15	30	37	17	1
FEMALE	510	795	7	21	47	23	2
18 - 29 YEARS OF AGE	293	460	6	18	45	30	1
18 - 20 YEARS	76	146	7	20	37	34	2
21 - 24 YEARS	79	123	3	13	53	31	0
25 - 29 YEARS	138	191	7	19	46	28	0
30 - 49 years	364	479	12	29	39	18	2
50 YEARS AND OVER	350	562	13	29	42	14	2
8TH GRADE OR LESS EDUCATION	73	193	11	16	39	31	3
HIGH SCHOOL INCOMPLETE	118	326	7	22	43	25	3
HIGH SCHOOL GRADUATE	363	568	8	25	47	19	1
SOME COLLEGE OR GRADUATE	454	415	17	34	36	13	0
DEMOCRAT	541	840	10	24	44	20	2
REPUBLICAN	292	395	12	32	39	17	0
INDEPENDENT	151	225	14	23	43	20	0
LIBERAL	362	518	12	27	44	17	*
CONSERVATIVE	505	743	10	27	43	19	1
IN BETWEEN	114	187	12	24	30	29	5

DO YOU FAVOR THE UNITED STATES CONTINUING ITS OWNERSHIP AND CONTROL OF THE PANAMA CANAL, OR DO YOU FAVOR TURNING OWNERSHIP AND CONTROL OF THE PANAMA CANAL OVER TO THE REPUBLIC OF PANAMA

	PERCENTAGE BASE					
	UNWTD	WTD	1.	2.	3.	
TOTAL PUBLIC	1011	1506	78	8	14	1. U.S. CONTINUING OWNERSHIP AND CONTROL
						2. TURNING OVER TO REPUBLIC OF PANAMA
						3. DON'T KNOW
EAST	246	358	72	11	17	
MIDWEST	291	398	80	9	11	
SOUTH	299	477	79	6	15	
WEST	175	274	81	8	11	
MALE	501	711	82	9	9	
FEMALE	510	795	74	8	18	
18 - 29 YEARS OF AGE	293	460	71	14	15	
18 - 20 YEARS	76	146	69	20	11	
21 - 24 YEARS	79	123	73	7	20	
25 - 29 YEARS	138	191	72	13	15	
30 - 49 YEARS	364	479	77	9	14	
50 YEARS AND OVER	350	562	84	3	13	
8TH GRADE OR LESS EDUCATION	73	193	76	3	21	
HIGH SCHOOL INCOMPLETE	118	326	80	7	13	
HIGH SCHOOL GRADUATE	363	568	81	7	12	
SOME COLLEGE OR GRADUATE	454	415	73	15	12	
DEMOCRAT	541	840	79	9	12	
REPUBLICAN	292	395	83	5	12	
INDEPENDENT	151	225	67	12	21	
LIBERAL	362	518	75	14	11	
CONSERVATIVE	505	743	80	6	14	
IN BETWEEN	114	187	83	5	12	

APPENDIX

Sampling Methods

Opinion Research Corporation's master sample is based on a new probability sample design, prepared in consultation with J. Stevens Stock of Marketmath, Inc., and modified and updated by ORC.

The essential characteristic of probability sampling is that, for each person in the population under study, the probability that he will be included in the sample can be specified. This means that the degree of reliability of any finding from a study based on a probability sample can be estimated mathematically.

This new sample design is a major improvement over standard areal probability designs now in common use. These areal methods depend upon the use of maps showing geographic segments for which rough population estimates can be made. These maps are often out of date and otherwise inaccurate; and population estimates are frequently unreliable for small geographic areas, particularly as time passes from one census to another. The new sampling method eliminates these important problems of traditional probability sampling by using current address directories as the basis for a system of defining interviewing starting points — a system which, of course, includes in the sample households not in the directory as well. The new method is both statistically and administratively as efficient as possible, providing the most reliable data for any given expenditure.

The ORC master sample consists of 360 counties in the contiguous United States. This master sample of 360 counties comprises, in fact, six subsamples of 60 counties each. Each of these subsamples is itself a national probability sample. Depending on the needs of any particular study, the master sample can be used as a whole, or any combination of the six subsamples can be used.

To construct the sample, the counties within each state were arranged in order of descending population size, and all the states were grouped in geographical order from Maine to California. Sixty counties were then chosen by statistical procedures that ensure representative geographical distribution. This process was repeated to obtain the six subsamples that make up the master sample of 360 counties.

The next step in the sampling design was to select an area from each of the 360 counties in the master sample. Again, a probability sampling method was used to select, within each county, a minor civil division as defined by the Bureau of Census. A minor civil division may be a town, township, city, or part of a city. The probability that any particular minor civil division was selected in a county was proportional to the population of that minor civil division. Thus, the larger a minor civil division, the greater the likelihood that it be selected.

In sampling for the WATS line usage, we employ the basic ORC sampling plan to determine the telephone books that

cover the minor civil divisions. These telephone books constitute the primary sampling units.

From each primary sampling unit, we draw an equal number of telephone numbers that appear to be residential. In order to obtain both listed and unlisted numbers, we add a fixed quantity (from one to ten) to each telephone number for purposes of providing a list of numbers for actual dialing. For example, if the number that comes up is 672-2424, adding one, we would dial 672-2425. The result is an equal probability random selection of all residential telephone households in the United States.

Once all interviews have been completed, weighting procedures are employed to ensure that the sample properly represents the population from which it was drawn. This sampling procedure is rigorous in concept and practice and allows for the exact determination of the statistical precision of any finding.

Reliability of Survey Percentages (Sampling Tolerances)

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

The table below shows the possible variation that applies to percentage results reported in this study. The chances are 95 in 100 (the 95% confidence level) that a study result does not vary, plus or minus, by more than the indicated number of percentage points from the result that would be obtained if interviews had been conducted with all members of the universe represented by the sample.

Size of Sample on Which Survey Result Is Based	Approximate Sampling Tolerances Applicable to Percentages at or Near These Levels				
	10% or 90%	20% or 80%	30% or 70%	40% or 60%	50%
1,011	2%	3%	4%	4%	4%
600	3%	4%	5%	5%	5%
500	3%	4%	5%	5%	5%
400	4%	5%	6%	6%	6%
350	4%	5%	6%	6%	7%
300	4%	6%	6%	7%	7%
250	5%	6%	7%	8%	8%
200	5%	7%	8%	8%	9%
100	7%	10%	11%	12%	12%
50	10%	14%	16%	17%	17%

Sampling Tolerances When Comparing Two Survey Results

Tolerances (or sampling variation) are also involved in the comparison or results from different parts of any sample (subgroup analysis). A difference, in other words, between two subgroups must be of at least a certain size to be considered statistically significant. The table below is a guide to the sampling tolerances applicable to such comparisons in this survey. These figures, too, represent the 95% confidence level.

Size of Samples Compared	Differences Required for Significance at or Near These Percentage Levels				
	10% or 90%	20% or 80%	30% or 70%	40% or 60%	50%
1,000 and 1,000	3%	4%	5%	5%	5%
750	4%	5%	5%	6%	6%
500	4%	5%	6%	7%	7%
250	5%	7%	8%	8%	9%
100	8%	10%	12%	13%	13%
750 and 750	4%	5%	6%	6%	6%
500	4%	6%	6%	7%	7%
250	5%	7%	8%	9%	9%
100	8%	10%	12%	13%	13%
500 and 500	5%	6%	7%	8%	8%
250	5%	8%	8%	9%	9%
100	8%	11%	13%	13%	13%
250 and 250	7%	9%	10%	11%	11%
100	9%	12%	13%	14%	14%
100 and 100	10%	14%	16%	17%	17%

Distribution of the Sample

Following are shown the number of respondents in all subgroups of the sample:

	Number of Respondents*
Total public	1,011
East	246
Midwest	291
South	299
West	175
Male	501
Female	510
18-29 years of age	293
18-20 years	76
21-24 years	79
25-29 years	138
30-49 years	364
50 years and over	350
8th grade or less	73
High school incomplete	118
High school graduate	364
Some college or graduate	350
Democrat	541
Republican	292
Independent	151
Liberal	362
Conservative	505
In Between	114

* Where subgroups do not add to the total of 1,011 it is because of no response.

In accordance with the Code of Ethics of the American Association for Public Opinion Research, Opinion Research Corporation is bound to maintain the anonymity of respondents and cannot release any information that would tend to identify the views of anyone taking part in this research. Furthermore, our authorization is required for any publication of the research findings or their implications in order to ensure the accuracy of the release.

OPINION SURVEY QUESTIONNAIRE

TELEPHONE NUMBER: ( ) _____
Area Code

LISTING SHEET PAGE NO.: _____

REGION NO. (LOCATION NO.): _____

TIME ENDED: _____

TIME STARTED: _____

LENGTH OF INTERVIEW: _____ (minutes)

DATE: _____ SEX: 1 MALE

INTERVIEWER: _____ 2 FEMALE

My name is _____, and I'm working on a survey being conducted by Opinion Research Corporation of Princeton, New Jersey. I would like to ask you a few questions about some current national issues. Your answers will be completely confidential.

To begin with, let me ask you a couple of questions about the Panama Canal.

1. As you may know, the Panama Canal is the waterway in Central America that connects the Atlantic and Pacific Oceans. The United States secured full ownership and control of the Canal Zone by way of a treaty signed with the Republic of Panama in 1903. How much, if anything, have you heard or read about the possibility of negotiations on a new Panama Canal Treaty — a great deal, a fair amount, very little, or nothing at all?

   1 A GREAT DEAL
   2 A FAIR AMOUNT
   3 VERY LITTLE
   4 NOTHING AT ALL
   5 DON'T KNOW

2. Do you favor the United States continuing its ownership and control of the Panama Canal, or do you favor turning ownership and control of the Panama Canal over to the Republic of Panama?

   1 U.S. CONTINUING OWNERSHIP AND CONTROL
   2 TURNING OVER TO REPUBLIC OF PANAMA
   3 DON'T KNOW

Now I would like to ask a few questions for background purposes.

3. In politics as of today, do you consider yourself a Democrat, Republican, Independent, or something else?

1 DEMOCRAT
2 REPUBLICAN
3 INDEPENDENT
4 DON'T KNOW/UNDECIDED
5 SOMETHING ELSE

IF "INDEPENDENT" or "UNDECIDED" on Q. 3, ASK:

4. As of today, do you lean more toward the Democratic Party or more toward the Republican Party?

1 DEMOCRATIC
2 REPUBLICAN
3 DON'T KNOW/UNDECIDED

5. Regardless of the political party you might favor, do you consider yourself to be a liberal, conservative, or somewhere in between?

1 LIBERAL
2 CONSERVATIVE
3 SOMEWHERE IN BETWEEN
4 DON'T KNOW/UNDECIDED

IF "SOMEWHERE IN BETWEEN," "DON'T KNOW/UNDECIDED" ON Q. 5 ASK:

6. Do you lean more toward the liberal side or more toward the conservative side?

1 LIBERAL
2 CONSERVATIVE
3 DON'T KNOW/UNDECIDED

7. In which of these age groups are you? (READ CHOICES TO RESPONDENT.)

1 18 - 20
2 21 - 24
3 25 - 29
4 30 - 49
5 50 OR OVER
6 NOT DETERMINED

8. What was the last grade in school you completed?

1 8TH GRADE OR LESS
2 HIGH SCHOOL INCOMPLETE (GRADES 9, 10, 11)
3 HIGH SCHOOL COMPLETE (12TH GRADE)
4 SOME COLLEGE OR COLLEGE GRADUATE

THANK YOU VERY MUCH.

THE INSTITUTE OF AMERICAN RELATIONS

Dr. Victor A. Fediay
President

Mrs. Patti O. Roberts
Executive Secretary

Mr. Gordon Rocca
Research Assistant

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The Institute welcomes public comment on its activities and public support of its work. All contributions to the Institute are tax-exempt.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

ADMINISTRATIVELY CONFIDENTIAL

July 2, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: Weekly Legislative Report

-- Since Congress is in recess, the report this week is a brief status summary of various items. You will have more detailed information on congressional activities for the week of July 11 in our next report.

1. ENERGY

Ways & Means: The Committee completed markup of its portion of the plan last week and when it reconvenes will take a final vote on the entire package before sending it to the Ad Hoc Committee. Treasury reports that, in general, we have been able to retain a surprising portion of the Administration's recommendations, with the major changes being the elimination of the stand-by gas tax (an effort will be made to recapture this tax in the Ad Hoc Committee), the exemption of utilities and process fuels from the Industrial Use Tax, and the elimination of the rebate to small car purchasers under the gas guzzler tax. Treasury recommends that you contact Chairman Ullman to express appreciation for his help.

Interstate & Foreign Commerce: The Committee reconvenes on July 12. Although the timing is uncertain on further Committee consideration of the natural gas provisions, a vote on a Brown (R-Ohio) substitute is expected. The Brown substitute is essentially the Krueger deregulation bill with some Wirth (D-Col) amendments. Following last week's natural gas vote, the Committee resumed the normal sequence for markup, returning to Part A, Residential Insulation. The only major change made was to delete the mandatory conservation requirements for homeowners effective 1982 (the Administration had not proposed this in the original bill, keeping the program voluntary).

Senate Energy & Natural Resources Committee: The Jackson Committee has completed hearings on all but Part E, Utility Regulatory Policies, of its nontax portions of the plan, and is scheduled to begin markup after the recess, beginning July 13 and starting with Coal Conversion and Conservation for Schools and Hospitals.

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2. APPROPRIATIONS

-- The status of major Appropriations bills follows (all have passed the House):

Interior	Conference report filed
State/Justice/Commerce	" " "
Transportation	" " "
Treasury/Post Office	" " "
Agriculture	Conference after recess
HUD/Independent Agencies	" " "
Labor/HEW	" " "
Military Construction	" " "
Public Works/ERDA	Continuation of Senate floor action after recess
Defense	Senate floor action after recess
Foreign Operations	Senate subcommittee markup after recess

Foreign Operations: State, Treasury, and AID are working on a comprehensive strategy for handling this bill in the Senate. As voted out of the House, the bill cuts funding below the Administration request by 11% (State advises this is a modest cut by historical standards). It also prohibits "indirect" expenditures which may benefit Vietnam, Cambodia, Laos, Uganda, Mozambique, and Cuba. Finally it prohibits the use of any IFI funds for development of the palm oil industry. Treasury and State lawyers believe the bank charters would prohibit the banks from accepting U.S. contributions with such prohibitions attached. State considers reversing the "indirect" prohibition absolutely critical to the survival of the banks, and also believes we face a very difficult fight in the Senate over it. You may be asked to meet with Senator Inouye on July 11 or early July 12 to discuss these issues. State reports that Secretaries Vance and Blumenthal and Governor Gilligan will probably host a luncheon for the entire subcommittee on July 12.

3. CONFERENCES

Department of Energy: Dr. Schlesinger's staff reports that the conferees met last Wednesday to begin working out differences between the House and Senate versions. The conferees reached a tentative agreement that there would be one Under Secretary; eight Assistant Secretaries (without titles, but with a listing of their functions in the Conference Report); an Office of Energy Research; and a annual authorization. Also, it was tentatively agreed that there would be an Inspector General and that the Congress would give the Secretary 30 days to review reports of the Inspector General regarding operation of the Department. Still to be decided are questions

on the division of regulatory responsibility between the Secretary and the Independent Regulatory Commission. Dr. Schlesinger has sent a letter to Sen. Ribicoff expressing the Administration's views on issues to be resolved in conference.

International Financial Institutions Authorization: House and Senate conferees met last Thursday on the bill and will meet again after the recess. Treasury staff has met with Sen. Humphrey and Chairman Reuss and report that Reuss is holding the bill captive because of St Germain's problems with his Consumer Coop Bank bill (tentatively scheduled for House floor action the week after the recess). The major issues still to be resolved are: human rights language, Dole amendment on Indochina, and the palm oil-sugar-citrus fruits amendments. Treasury is working very closely with Sen. Humphrey and his staff on these issues and will act as the Administration's spokesman when the conference reconvenes.

Water Resources Development Act (Locks & Dam 26/User Fees): The Senate attached the Locks & Dam 26 authorization and user charges for inland waterway facilities to this bill. OMB reports the total cost of Locks & Dam 26 would be $420 million. Transportation reports that Chairman Ullman has written a letter to the Speaker requesting that he delay naming conferees until Ways & Means has a chance to review the Domenici user fees amendment. Ullman is concerned that the Senate may have exceeded its prerogative by including an amendment which should have originated in the House. Secretary Adams has asked Secretary Blumenthal to write the Chairman outlining the legal reasons why this is not a tax, but a bona fide user fee. Transportation believes that quick action by Treasury and OMB is necessary to keep the issue alive.

Labor/HEW Appropriations: The conference committee will probably begin to work during the week of July 18. HEW is currently developing a strategy to achieve a final total for the bill which is close to the amount of the House-passed bill.

Defense Authorization: A conference report on the bill has been filed and the House and Senate are expected to approve it shortly after the recess. The bill, as agreed to by the conferees authorizes $36.1 BILLION for procurement and R&D. The total is about $20 million below the request including offsetting manpower reductions, and is consistent with the budget resolution targets. DOD advises that highlights of the conference action include the following: construction of 19 new ships; long-lead funds for another Nimitz-class carrier plus $40 million to maintain an option to decide which type of carrier is required; funding for 108 F-15s (the budget had recommended a reduction to 78); full funding for the F-16; reduction of average military active duty strengths by 3,900 below the request; a requirement for DOD and OMB to study DOD contracting out policies; and, authority to proceed with XM-1 tank gun testing.

Foreign Security Assistance Authorization: State and AID report that the conference is over and that the resulting bill is very satisfactory. State reports that on most key issues, the conferees accomodated Administration requirements with the only significant exception involving Congressional vetoes over third country transfers, which State believes raises a constitutional issue.

Foreign Development Assistance Authorization: AID reports that conferees have finished work on the bill and the funding levels are close to the Administration's request. The conferees agreed to repeal the prohibition on aid to countries which assist or trade with Cuba and North Vietnam, but also agreed to provisions to prohibit the use of funds authorized in the bill for use in Indochina or Cuba. AID reports that they also agreed to "sense of Congress" language which states that the U.S. should increase substantially its assistance for self-help development among the world's poorest people, and that such assistance should be consistent with the "New Directions" policies and emphasize equitable patterns of economic growth.

Strip Mining: Interior reports that the bill was reported out of conference last Thursday with compromises on 1) small mine exemptions; 2) approximate original contour variances; and 3) alluvial valley floors. Interior believes that the compromises were generally satisfactory and the bill is generally a good one.

Youth Employment: Labor reports that final approval of the youth bill conference report has been delayed until after the recess and that a bill signing will not be possible until the week of July 25.

SBA Authorization and Disaster Relief: SBA reports that the conferees will meet shortly after the recess. The primary issues to be discussed include graduated interest rate for physical disaster loans for damage to homes and private property, a reduction in the disaster loan interest rate to businesses affected by a physical disaster, and a graduated forgiveness (loan cancellation) provision for certain amounts of uninsured damage to homes.

Clean Air: EPA reports that while conferees have been named, a date for meeting has not yet been set.

THE WHITE HOUSE
WASHINGTON

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		MOORE
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	AGENCY REPORT
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Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
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		FIRST LADY
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		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		STRAUSS
		WELLS
		VOORDE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

July 1, 197

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MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER

SUBJECT: Travel (Per Your Request)

Listed below is the commercial-tourist travel approved during the month of June:

Name	Date & Time		Destination	Purpose
Bob Lipshutz	6/2 6/3	3:00p 7:45a	D.C. Philadelphia D.C.	To address Dropsie University & emphasize P.'s Middle East policy & receive Morris J. Kaplan Award
James Schlesinger	6/8 6/12	8:59p	D.C. Columbus Springfield D.C.	Deliver commencement address at Ohio State on 6/9; drove to Springfield to deliver commencement address at Whittenburg U. on 6/11 and drove back to D.C.
William Cable	6/9 6/10	2:30p 8:55a	D.C. Staunton D.C.	Speak to Administrative Assistants' Ass'n. of House of Representatives (on behalf of F. Moore) drove down at no cost to Gov't.
Valerie Pinson	6/10 6/11	1:00p 6:29p	D.C. New York D.C.	To accept award for the P. from the Interfaith Ministerial Ass'n. from Harlem (set up by the Scheduling Office)
Martha Mitchell	6/16 6/16	8:10a 8:01p	D. C. St. Louis D. C.	To address Nat'l Newspaper Publishers Ass'n Annual Convention (set up by Scheduling Office)
Robert Lipshutz	6/14 6/15	11:00a 8:00a	D.C. New York D.C.	Speak to Anti-Defamation League Lawyers Dinner (speech emphasizing P.'s M.E. policy)

cc Hugh Carter

Maria LeGrand	6/16 6/21	8:00a 8:35a	D.C. Tucson D.C.	Advance for F.L.'s trip to Mental Health hearing in Tucson
Barbara Heineback	6/16 6/26	8:00a 4:55p	D.C. Tucson San Francisco Honolulu Kailu-Kona Los Angeles D.C.	Press Advance for F.L.'s trip to Mental Health hearing in Tucson; travel on military aircraft w/F.L. to San Fran. on 22nd to overnight; commercial on 23rd to Hawaii & return w/F.L.
Ann Anderson	6/16 6/22	9:00a 11:16p	D.C. San Francisco D.C.	Press Advance for San Francisco portion of F.L.'s trip
Edward Maddox	6/16 6/26	9:00a 4:55p	D.C. San Francisco Los Angeles D.C.	Advance for F.L.'s trip to San Francisco thru 22nd; on 23rd to L.A. to set up hotel rooms; on leave the 24th; on offical business again the 25th & return with F.L. the 26th
Jody Powell	6/17 6/18	9:50a 11:45a	D.C. Atlanta D.C.	Speak to Nat'l Broadcasters Editorial Ass'n.
John E. Sullivan	6/18 6/26	9:00a 4:55p	D.C. Honolulu Kailu-Kona Los Angeles D.C.	Advance Hawaii portion of First Lady's trip
Karl Schmuacher	6/19 6/26	7:10p 4:55p	D.C. Tucson San Francisco Honolulu Kailu-Kona Los Angeles D.C.	Official Photographer w/F.L. (military aircraft from D.C.-Tucson-San Fran.)
Madeline MacBean	6/19 6/26	7:10p 4:55p	D.C. Tucson San Francisco Honolulu Kailu-Kona Los Angeles D.C.	Accompany First Lady (military aircraft from D.C.-Tucson-San Fran.)

Kathryn Cade	6/19 6/23	7:10p 4:45p	D.C. Tucson San Francisco D.C.	Return from Mental Health hearings (military aircraft from D.C.-Tucson-San Fran.)
Mary Hoyt	6/22 6/26	2:00p 4:55p	San Francisco Honolulu Kailu-Kona Los Angeles D.C.	Press for First Lady (out to San Francisco at no expense to Gov't.)
The First Lady	6/19 6/26	7:10p 4:55p	D.C. Tucson San Francisco Honolulu Kailu-Kona Los Angeles D.C.	(military aircraft from D.C.-Tucson-San Fran.)
Frank Moore	7/8 7/8	10:20a 7:35p	Atlanta Gulfport Atlanta	Address Annual Mississi. Ass'n. of Supervisors (at request of Senator Eastland)
Jack Watson (request not submitted until after trip)	6/12 6/13	4:14p 10:00p	Atlanta Tucson D.C.	Attend U.S. Mayors Conference as P.'s representative
Greg Schneiders	6/28 6/29	2:20p 3:10p	D.C. Boston D.C.	To address National Ass'n. of Secondary School Principals in Marlborough (Costanza passed on to Greg because of his involvement in the youth project)
Jim Parham	7/27 7/27		D.C. Detroit D.C.	Attend Nat'l Ass'n. of Counties Annual Conference & be panel discussant on "Welfare reform impact on CETA PSE jobs"
Bruce Kirschenbaum	7/1 7/1	8:55a 9:42p	D.C. Cincinnati D.C.	Preparation for Governors Conference July 8-9 mtg. with the President

NOTE: This report reflects information given to me on the signed travel request forms.

Travel DISAPPROVED during the month of June:

Greg Schneiders	6/3 6/5	Boston	Consultation with Pat Caddell on Youth Project
Landon Kite	6/20 6/23	Portland, Or.	Attend annual presentation of Int'l Word Processing Ass'n.
Bob Anderson	"	"	"
Midge Costanza	6/27	Boston	Speak to Nat'l Women's Political Caucus

MEMORANDUM

THE PRESIDENT HAS SEEN.
THE WHITE HOUSE
WASHINGTON

C

INFORMATION 1 July 1977

TO: THE PRESIDENT

FROM: RICK HUTCHESON Rich

SUBJECT: Summary of DNC Daily Political Reports for June

1. The Republican National Committee has provided funds to enable the Vermont Republican Party to hire a "state coordinator." The RNC is also running TV ads in Ceder Rapids, Iowa, as part of a pilot, party-building program. One ad, "Tips on Traveling," is a thinly-disguised attack on the Administration's energy proposals. The ad purports to be sponsored by "145 Republican Congressmen."

2. DNC Chairman Curtis has appeared at several successful state party fundraisers, raising $52,000 in Iowa and $50,000 in Rhode Island.

3. Several new Democratic state party chairpersons have been elected recently. Mike Bleicher, a Madison liberal, was elected Wisconsin Chairman. In New Jersey, Richard Coffee (Carter supporter in primary) was elected Chairman and Caroline Holmes Vice Chair. Both are identified with Byrne. (Ann Campbell, outgoing Vice Chair, will continue to be President of the national Democratic State Chairs Association.) In South Dakota, Herb Cheever was elected Chairman with the active support of Sen. George McGovern.

4. Kentucky's Gov. Carroll is opposing UVR. See if V.P. wants to call him

5. Mayor Mike Bilandic, attending the US Conference of Mayors meeting earlier this month, was very supportive of the President. The Democratic Mayors Conference has elected Richard Hatcher as President, with Kevin White and Maynard Jackson as first and second Vice Presidents, respectively.

6. In South Carolina, former Carter State Chairman Dick Riley is gearing up his gubernatorial race. Tom Turnipseed (a former Wallace supporter), who narrowly lost his 1976 race for Attorney General, is also running for Governor, with strength in rural areas. Pug Ravenel is reported to be leaning towards a Senate race against Strom Thurmond.

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7. A recent poll in Hartford, CT (600 sample) came up with the following job ratings:

	EXCELLENT	GOOD	FAIR	POOR
President Carter	13%	51	25	2
Governor Grasso	7	30	40	16
Senator Ribicoff	36	48	7	-

8. North Dakota Gov. Link and State Party Chairman Ista are organizing a meeting for their counterparts in the Plains states to discuss the Administration's farm program.

9. California Lt. Gov. Dymally is reported to have decided to run for reelection in 1978. Cong. Yvonne Burke will now probably run again for Congress, instead of for Lt. Gov.

7/1 1:30 and 2:00

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

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July 1, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE FM

This afternoon you will be meeting with Congressman Mike McCormack and Congressman James Lloyd. Dick Moe mentioned that neither one of them is with us yet on voter registration and it would probably be useful if you would mention this to them.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

C

July 1, 1977

THE PRESIDENT HAS SEEN.

TO: THE PRESIDENT

FROM: RICK HUTCHESON Rick Hutcheson

SUBJECT: Status of Presidential Requests

Follow-up of Previous Reports:

1. Eizenstat: Prepare a draft message to Congress on the opportunity for regulatory reform and consult with the Cabinet -- In Progress, (with Eizenstat, expected 7/7, previously expected 6/30).

2. Jordan: Let's firm up the Renegotiation Board -- In Progress.

3. Eizenstat: Check with Congressional leaders regarding Cargo Preference legislation (H.R. 1037) and report back to the President -- Done. done

4. Bell: Progress on court reform -- Done; organized crime -- In Progress, (Lipshutz memo completed; Eizenstat and the Vice President are studying; to the President 7/6).

5. Bourne: We should prepare an overall message regarding drugs; keep on schedule -- In Progress, (Peter and Senior Staff working to resolve differences; to the President 7/7).

6. H. Carter: Assess and implement where possible; tabulate and give the President a report and any questions regarding the information package from John Dunn concerning material for archives, Presidential papers, etc., expedite -- In Progress, (Bob Lipshutz and Hugh Carter reviewing; see attached status report from Lipshutz.)

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7. Brown: What are we doing to expedite reclassification of the Viet Nam MIA's? -- Done. Prepare procedure and submit to the President; do case work on files in the meantime. The President will decide date for DoD announcement -- In Progress, (with DoD, detailed plan expected for the President's review 7/8, previously expected 7/1). Keep on schedule

8. Jordan: See the President concerning the Schneiders' memo on White House Projects -- Message Conveyed Again.

9. Bell: You know the President's promise to make the Attorney General independent of White House control and influence. Please consult with your advisors and prepare draft legislation, expedite -- In Progress; Lipshutz memo done; resolving differences with Eizenstat. Expedite

10. Vance: The President needs State's analysis of the four year goals we hope to achieve -- In Progress, (received from Vance; with Brzezinski, expected 7/5, previously expected 6/29). Let me have it

11. Vice President, Moore, Jordan: Work out the judicial selection committee in states with no Democratic Senators; let Democrats do it. Setting up top flight selection committee comes first -- In Progress, (9 of 13 completed). Need to help Va. Democrats

12. Brzezinski: (Confidential) Vance and Bell should discuss Visa Policy with Eastland and Rodino, perhaps McGovern Amendment. Then the President will see the Congressional leaders -- In Progress, (Meeting took place with Eastland, there is meeting with Rodino scheduled for next week).

13. Brzezinski, Chip Carter, Bourne, Eizenstat: Get together and let the President know what we can do about world hunger -- In Progress, (meeting held 6/28; Task Force being formed).

14. Lipshutz: Advise the President regarding removal of official documents -- In Progress, status report from Lipshutz is attached.

15. Eizenstat: Can we issue instruction precluding waiver of dual compensation limitations for retired military officers -- In Progress, (with Eizenstat and OMB, expected 7/7, previously expected 6/30).

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16. Eizenstat: Advise on memo concerning Patents and on Independent Research and Development -- In Progress, (with Eizenstat and OMB, expected 7/7, previously expected 6/28).

17. Califano: Go over Treasury Plan (tentative) on tax reform with Eizenstat or Schultze -- On-going.

18. Eizenstat: Comment on the letter from the National League of Postmasters' President, Eugene Dalton regarding personnel structure of the postal service -- In Progress, (expected 7/5).

19. Jordan: Red and Jim were among the best/earliest supporters in the U.S.; let the President know what we can do regarding recommendations as State Director, FHA and Regional Director, Federal Mediation and Conciliation Service -- In Progress. (No further developments since last week.) done

20. Schlesinger: (Personal and Confidential) Please comment on the GSA estimate concerning the Department of Energy location -- In Progress, (Schlesinger to discuss with the President 7/5).

21. Kreps, Eizenstat: Comment on the letter from Sens. Magnuson and Hollings on the Nation's ocean program -- In Progress, (expected 7/7, previously expected 6/30).

22. Blumenthal: Several people think that EPG meetings are too large. Try to limit total attendance to no more than 15, please comment -- In Progress, (Status report expected 7/5 from Schultze, Blumenthal and Eizenstat). To me

23. Chip Carter: Martin Luther King, Sr. has a good group who wants to visit the White House. Call him and let it be during regular hours -- Done. done

24. Schultze: Go over 6/15 memo on investment and business taxation with Mike and Larry -- In Progress, (with CEA and Treasury, updated status report to be included in Weekly Cabinet Summary 7/2).

25. Lipshutz, Eizenstat: Let the President review and then talk with the Attorney General about draft handgun control legislation -- In Progress, (with Attorney General, expected 7/8, previously expected 6/28).

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26. Schultze: On the memo concerning corporate profits taxes as a percent of GNP the same "discounts" and "adjustments" applied to the figures used on personal taxes/income? -- In Progress, (expected 7/6, previously expected 6/28). done

June 24:

1. Eizenstat: Explain to the President: a) forestry oral bids and what can be done to optimize bid levels -- In Progress; b) ice cream composition, c) strip mining surface rights -- Done. done

2. Brzezinski, Kraft: Set up 15 minutes with Marshall Shulman and the President regarding Soviet attitudes -- In Progress, (Brzezinski discussed with the President 7/1). done - scheduled

3. Hutcheson: Who gets the original and why the 11-day delay on the Califano memo concerning HEW's use of expensive medical equipment -- Done. done

4. Kraft: Please schedule Sen. Mark Hatfield for 15 minutes -- In Progress, (working out mutually convenient time after Congressional recess).

June 25:

1. Brzezinski: Have Mahon see the President concerning the timing of the B-1 announcement -- Done. done

2. King: Let the President know why it is necessary for Jean Wilkowski to have the rank of Ambassador while serving as Coordinator of U.S. Preparations for the U.N. Conference on Science and Technology for Development -- In Progress, (with State, expected 7/6).

3. Jordan: (Confidential) Is Harold Murphy the best man and the choice of Nunn and Talmadge for U.S. District Court Judge for the Northern District of Georgia? -- In Progress.

June 27:

1. Marshall: Check the CHICAGO TRIBUNE story stating that city employees were hired at salaries up to $20,000 under stimulus program and report back to the President -- In Progress, (expected 7/5).

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June 27: (Continued)

2. Rickover: Please have your staff send the President a brief description of the shipping port breeder and its potential for the future -- Done. done

3. Eizenstat: Get Pat Harris' brief comments concerning the follow-up to the HUD budget review session -- In Progress.

4. Eizenstat: Do the memo on tax reform over and leave out Pechman, but absorb his ideas in a memo from your staff -- Done. done

5. First Lady: Let Amy write to Mary Marks (daughter of Congressman Marks) concerning a possible visit to the White House -- In Progress.

June 29:

1. Kraft: Have Fritz Hollings and Petsie for supper one night and include Dale and Betty Bumpers; work out with the First Lady -- Done, (scheduled for 7/12). done

June 30:

1. Eizenstat: Prepare answer as discussed with the President regarding the Frank Church letter on IRS rulings permitting payments to OPEC cartel countries to be credited against U.S. taxes -- In Progress.

2. Califano: Use your best judgment regarding staffing levels for the Public Health Service; the President will take the responsibility for any deviations from committee reports -- Message Conveyed. done

3. Watson: We need a way to handle emergencies a la Cloyd Hall's in Georgia when the President was Governor. Check with Frank and make a recommendation -- In Progress.

4. Costanza: How soon can we appropriately terminate the Women's Year Conference -- In Progress.

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MEMORANDUM THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

1 July 1977

C

TO: THE PRESIDENT

FROM: RICK HUTCHESON

SUBJECT: Joan Masuck Letter

Joan's letter is dated May 21. On May 25, I sent you the attached reference to the letter in one of my "Memos Not Submitted" memos. This was returned in your outbox on the same day, and Joan's letter was referred to NSC to respond to her questions regarding human rights in San Salvador. I did not follow up on her letter after that.

From the file, it appears that NSC sent a proposed response to the Correspondence Unit on June 10. And the Correspondence Unit's draft letter to Joan was forwarded to Susan dated June 16.

A memo from Hugh Carter on this subject is attached.

THE WHITE HOUSE

WASHINGTON

7-1-77

To Joan Wasuck

Best wishes to you,
Joe, David & Tracy in
Germany.

I hope to see you
before you leave.

Love,

Jimmy

THE WHITE HOUSE
WASHINGTON

7-1

Hugh:

Here's a note from the President regarding a letter which took a very long time getting answered.

My response to the President's inquiry is attached. He has also asked for a comment from you.

Please forward your response to me, and then I will send it back along with the whole package. Thanks.

Rick

THE WHITE HOUSE

WASHINGTON

July 1, 1977

Dear Ms. Masuck:

The President has asked that I reply to your May 21 correspondence in which you transmitted for his attention Dr. Richard Scobie's thoughts regarding the change of U.S. Ambassadors in El Salvador and the human rights situation in that country.

We appreciate Dr. Scobie's concern for maintaining in place an Ambassador who has so conscientiously conveyed the United States human rights policy to the Government in El Salvador.

To some extent, in any challenging relationship with a foreign country, no time is an ideal moment for altering the principal actors. However, we do believe that the continuity of United States policy in the human rights and other fields transcends personalities.

This fact can be impressed even more upon Salvadoran authorities as they realize that the change in Ambassadors to El Salvador will not diminish the vigor and consistency with which we pursue national interests and policies.

The departure schedule of Ambassador Lozano from El Salvador was planned with the substantive implications in mind. In fact, a slight extension was allotted to his tenure as Chief of Mission in order to accommodate precisely some of the concerns cited by Dr. Scobie. As of June 1, Ambassador Lozano officially terminated his assignment in El Salvador.

Please be assured that neither the President nor the next Ambassador to El Salvador will relent in pursuing the United States commitment to human rights in our relations with that country.

A new Salvadoran President assumes power on July 1 and a new Ambassador from the United States will arrive shortly thereafter. We will continue to stress our hope that human rights conditions in El Salvador will improve.

At the same time, we shall strive to make the transition an opportunity to enhance our ability to influence the Government of El Salvador to cooperate in observing internationally-recognized standards of conduct.

The basic standards described in the Universal Declaration of the Human Rights of Man transcend cultural boundaries as well as political systems. This is the essence of our continuing message to El Salvador and all nations on the subject of human rights.

With the President's best wishes,

Sincerely,

Valerio L. Giannini
Staff Assistant

Ms. Joan Masuck
4341 North 81st Avenue
Omaha, Nebraska 68134

MEMORANDUM 3173

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

(Correspondence Referral)

June 10, 1977

TO: ANNE E. HIGGINS

FROM: CHRISTINE DODSON

REFERENCE:

To: The President Date: May 21, 1977

From: Joan Masuck

Subject: Human Rights Conditions in El Salvador

Comment: The attached draft is satisfactory from the foreign policy point of view. Clearly Mrs. Masuck has some personal connections to the President and the reply should be personalized by someone who knows of the relationship. Also, an appreciative comment about her work on the Ambassadorial Assignments Board should be included.

A draft reply is attached at Tab A. The incoming letter is attached at Tab B.

Attachments

Suggested Reply

Ms. Joan Masuck
4341 N. 81st Avenue
Omaha, Nebraska 68134

Dear Ms. Masuck:

The President has asked that I reply to your May 21 correspondence in which you transmitted for his attention Dr. Richard Scobie's thoughts regarding the change of U.S. Ambassadors in El Salvador and the human rights situation in that country.

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Sincerely,

4341 N 81 Avenue
Omaha, Nebraska 68134
May 21, 1977

The Honorable Jimmy Carter,
President of the United States
The White House
Washington DC 20006

Dear President Carter,

Because I am a member of your Ambassadorial Advisory Board a get a number of calls and letters urging me to bring matters to your attention. I do try to restrain myself!

As you know I am a Unitarian and the work of the Unitarian Universalist Service Committee is especially dear to me, but I think the human rights and ambassadorial concerns that Dr. Scobie refers to in his letter are pertinent to you and Secretary Vance.

I also want to take this opportunity to tell you and Mrs. Carter that as of September 15th our family expects to be in Heidelberg, Germany for a three year army tour.

We lived in Berlin 20 years ago and thoroughly enjoyed Europe, so I think it will be a wonderful opportunity for David and Tracy. We will all be busy with our German lessons, but I will have plenty of free time, so if there is anything I can do for you don't hesitate to let me know.

Of course we will have the Carter Bedroom Suite with us (and the price is right) so feel free to stay with us on one of your Summit trips.

We are proud of both of you.

Love,

Joan Masuck



May 18, 1977

President Jimmy Carter
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear Mr. President:

I have just returned from San Salvador where my organization is conducting an investigation of serious human rights violations. It is apparent that the current Ambassador, Ignacio Lozano, Jr., has forcefully addressed the human rights issue, to the chagrin of El Salvador's military rulers. I fear that his removal at this critical moment will be seen by both government and opposition forces as a U.S. retreat from human rights concerns, opening the way for even more serious abuses. For this reason I urge you to extend Lozano's appointment for a few months until the newly (and fraudulently) elected president can be inaugurated.

It is my understanding that Ms. Sally Shelton is to be nominated for the ambassadorship shortly. I'm sure she's an excellently qualified person. My concern is rather with the timing of her arrival, and the "signal" we may be sending to President Molina and General Romero, his chosen successor, by the acceptance of Lozano's resignation.

By circumstance most of the key members of the U.S. "family" in El Salvador will all be leaving at once. Besides the Ambassador, the chief political officer, the chief of the AID mission, the Peace Corps country director, the AID population and nutrition officer and even the country director of the Catholic Relief Servite (a major distributor of PL 480) will be leaving in the next few weeks. Add to this the change of leadership in the Salvadorean government and the mounting chaos in the country, and the potential for error and confusion will be extremely high.

Our own findings to date show a pattern of serious human rights violations in El Salvador. They include sweeping electoral fraud, the arbitrary arrest, torture and assassination of citizens (even one U.S. citizen was caught up in this, apparently killed while in the hands of the National Police), and mass killings of unarmed demonstrators. The cable traffic from the Embassy in recent weeks should well document these happenings and Ambassador Lozano's response.

I hope that you will (1) seriously consider extending Lozano's service, and (2) hold firm in your commitment to human rights in our relations with the Third World. I was astounded at the extent to which your statements on the subject have been read and understood, down into the tiniest

Pueblito and squatter settlement in both El Salvador and Guatemala. The people there understand too that their well being is profoundly effected by U.S. foreign policy and your strong position on human rights has given them new hope that we will no longer give support or encouragement to oppressive governments.

Sincerely,

Richard S. Scobie, Ph.D.
Executive Director

RSS:bt

cc: Cyrus Vance
Secretary of State

4341 N 81 Avenue
Omaha, Nebraska 68134
May 21, 1977

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President of the United States
The White House
Washington DC 20006

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Of course we will have the Carter Bedroom Suite with us (and the price is right) so feel free to stay with us on one of your Summit trips.

We are proud of both of you.

Love,

Joan Mazuck.

Unitarian Universalist Service Committee 78 Beacon Street, Boston, MA 02108 (617) 742-2120

May 18, 1977

President Jimmy Carter
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear Mr. President:

I have just returned from San Salvador where my organization is conducting an investigation of serious human rights violations. It is apparent that the current Ambassador, Ignacio Lozano, Jr., has forcefully addressed the human rights issue, to the chagrin of El Salvador's military rulers. I fear that his removal at this critical moment will be seen by both government and opposition forces as a U.S. retreat from human rights concerns, opening the way for even more serious abuses. For this reason I urge you to extend Lozano's appointment for a few months until the newly (and fraudulently) elected president can be inaugurated.

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Sincerely,

Richard S. Scobie, Ph.D.
Executive Director

RSS:bt

cc: Cyrus Vance
Secretary of State

THE WHITE HOUSE

WASHINGTON

July 1, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER HC

SUBJECT: Delay in Reply to Letter from Joan Masuck

The letter in question was addressed to you in care of Rick Hutcheson, and did not come through the regular Presidential mail system. Rick advised you of its contents on May 25, and forwarded it to NSC directly for reply.

NSC then forwarded it to the State Department for a draft on May 31. State returned their draft on June 8 to NSC, and NSC then sent the draft to the Correspondence Unit on June 10, which was a Friday. On Monday, June 13, the Correspondence Unit prepared the draft in final for staff reply. There was, however, no indication on the draft sent down by NSC where the letter had been prior to that, or of any previous action taken. Retracing its route back through NSC to Rick's office resulted in an inordinate further delay. The Correspondence Unit should have noticed the already apparent delay, and should have hand-carried it in its retracing efforts.

To rectify reoccurrence, we have clarified the routing procedures on letters coming out of Rick's office for Correspondence reply, and centralized tracing responsibility in one office.

THE WHITE HOUSE
WASHINGTON

7/1/77

Mr. President --

Overall responsibility for the correspondence falls to Hugh Carter.... with me responsible for any Presidential responses other than previously approved form letters. (Rick handles official communications...primarily from your staff and Cabinet.)

There really is no excuse for the two delays...either the 19 days it took for NSC to provide a response to the Correspondence Section...nor the additional 24 days it took to type the response over a staff signature (even though it's 'dated' june 16th).... and both offices involved will be contacted by either Hugh or myself. (More appropriately Hugh)

-- Susan

Let Rick & Hugh also respond
J

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THE WHITE HOUSE
WASHINGTON

Mr. President --

You might want to initial
the second page of this letter
to Joan Masuck....or just
add a note:

"Have a great time in Germany!"

-- Susan

Rick -
Why so much
delay? 2 weeks!!
6 weeks!! F C

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THE WHITE HOUSE

WASHINGTON

June 16, 1977

Dear Ms. Masuck:

The President has asked that I reply to your May 21 correspondence in which you transmitted for his attention Dr. Richard Scobie's thoughts regarding the change of U.S. Ambassadors in El Salvador and the human rights situation in that country.

We appreciate Dr. Scobie's concern for maintaining in place an Ambassador who has so conscientiously conveyed the United States human rights policy to the Government in El Salvador.

To some extent, in any challenging relationship with a foreign country, no time is an ideal moment for altering the principal actors. However, we do believe that the continuity of United States policy in the human rights and other fields transcends personalities.

This fact can be impressed even more upon Salvadoran authorities as they realize that the change in Ambassadors to El Salvador will not diminish the vigor and consistency with which we pursue national interests and policies.

The departure schedule of Ambassador Lozano from El Salvador was planned with the substantive implications in mind. In fact, a slight extension was allotted to his tenure as Chief of Mission in order to accommodate precisely some of the concerns cited by Dr. Scobie. As of June 1, Ambassador Lozano officially terminated his assignment in El Salvador.

Please be assured that neither the President nor the next Ambassador to El Salvador will relent in pursuing the United States commitment to human rights in our relations with that country.

A new Salvadoran President assumes power on July 1 and a new Ambassador from the United States will arrive shortly thereafter. We will continue to stress our hope that human rights conditions in El Salvador will improve.

At the same time, we shall strive to make the transition an opportunity to enhance our ability to influence the Government of El Salvador to cooperate in observing internationally-recognized standards of conduct.

The basic standards described in the Universal Declaration of the Human Rights of Man transcend cultural boundaries as well as political systems. This is the essence of our continuing message to El Salvador and all nations on the subject of human rights.

With the President's best wishes,

Sincerely,

Valerio L. Giannini
Staff Assistant

Ms. Joan Masuck
4341 North 81st Avenue
Omaha, Nebraska 68134

THE WHITE HOUSE

Ms. Joan Masuck
4341 North 81st Avenue
Omaha, Nebraska 68134

THE WHITE HOUSE
WASHINGTON

7-1-77

To Joan Masuck

Best wishes to you,
Joe, David & Tracy in
Germany.

I hope to see you
before you leave.

Love,

Jimmy

MEMORANDUM 3173

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

(Correspondence Referral)

June 10, 1977

TO: ANNE E. HIGGINS

FROM: CHRISTINE DODSON

REFERENCE:

To: The President Date: May 21, 1977

From: Joan Masuck

Subject: Human Rights Conditions in El Salvador

Comment: The attached draft is satisfactory from the foreign policy point of view. Clearly Mrs. Masuck has some personal connections to the President and the reply should be personalized by someone who knows of the relationship. Also, an appreciative comment about her work on the Ambassadorial Assignments Board should be included.

A draft reply is attached at Tab A. The incoming letter is attached at Tab B.

Attachments

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

INFORMATION

25 May 1977

TO: THE PRESIDENT

FROM: RICK HUTCHESON

SUBJECT: Summary of Memos, Letters Not Submitted

1. JOAN MASUCK LETTER asking you to look into alleged human rights violations in San Salvador (this has been referred to NSC). Also, informing you that her husband has been transferred to Heidelberg, Germany, and that she and her family will be there for a 3-year Army tour starting in September.

2. WADE McCREE LETTER thanking you for the birthday greeting to his Mother on her 90th birthday. "It was an electrifying climax to a beautiful birthday." The Solicitor General also enclosed an article about your 90th birthday greeting which was carried in the Detroit Sunday News.

3. PETER BOURNE MEMO informing you that he gave the opening address at the UNICEF meeting in Manila on Monday, including a message from the President. The US has held the Executive Director position at UNICEF for 30 years; this year, the Swedish candidate is in strong competition with the US candidate for Executive Director. Sweden now contributes more to UNICEF than does the USG. Peter says that his presence strengthened the chances of the US candidate. Peter says that he stressed your human rights commitment, both in his UNICEF speech, and in a meeting with President and Mrs. Marcos. The Marcos wished to communicate to you their firm commitment to the pursuit of human rights in the Philippines, according to Peter.

4341 N 81 Avenue
Omaha, Nebraska 68134
May 21, 1977

The Honorable Jimmy Carter,
President of the United States
The White House
Washington DC 20006

Dear President Carter,

Because I am a member of your Ambassadorial Advisory Board a get a number of calls and letters urging me to bring matters to your attention. I do try to restrain myself!

As you know I am a Unitarian and the work of the Unitarian Universalist Service Committee is especially dear to me, but I think the human rights and ambassadorial concerns that Dr. Scobie refers to in his letter are pertinent to you and Secretary Vance.

I also want to take this opportunity to tell you and Mrs. Carter that as of September 15th our family expects to be in Heidelberg, Germany for a three year army tour.

We lived in Berlin 20 years ago and thoroughly enjoyed Europe, so I think it will be a wonderful opportunity for David and Tracy. We will all be busy with our German lessons, but I will have plenty of free time, so if there is anything I can do for you don't hesitate to let me know.

Of course we will have the Carter Bedroom Suite with us (and the price is right) so feel free to stay with us on one of your Summit trips.

We are proud of both of you.

Love,

Joan Masuck.

UnitarianUniversalistServiceCommittee 78 Beacon Street, Boston, MA 02108 (617) 742-2120

May 18, 1977

President Jimmy Carter
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear Mr. President:

I have just returned from San Salvador where my organization is conducting an investigation of serious human rights violations. It is apparent that the current Ambassador, Ignacio Lozano, Jr., has forcefully addressed the human rights issue, to the chagrin of El Salvador's military rulers. I fear that his removal at this critical moment will be seen by both government and opposition forces as a U.S. retreat from human rights concerns, opening the way for even more serious abuses. For this reason I urge you to extend Lozano's appointment for a few months until the newly (and fraudulently) elected president can be inaugurated.

It is my understanding that Ms. Sally Shelton is to be nominated for the ambassadorship shortly. I'm sure she's an excellently qualified person. My concern is rather with the timing of her arrival, and the "signal" we may be sending to President Molina and General Romero, his chosen successor, by the acceptance of Lozano's resignation.

By circumstance most of the key members of the U.S. "family" in El Salvador will all be leaving at once. Besides the Ambassador, the chief political officer, the chief of the AID mission, the Peace Corps country director, the AID population and nutrition officer and even the country director of the Catholic Relief Service (a major distributor of PL 480) will be leaving in the next few weeks. Add to this the change of leadership in the Salvadorean government and the mounting chaos in the country, and the potential for error and confusion will be extremely high.

Our own findings to date show a pattern of serious human rights violations in El Salvador. They include sweeping electoral fraud, the arbitrary arrest, torture and assassination of citizens (even one U.S. citizen was caught up in this, apparently killed while in the hands of the National Police), and mass killings of unarmed demonstrators. The cable traffic from the Embassy in recent weeks should well document these happenings and Ambassador Lozano's response.

I hope that you will (1) seriously consider extending Lozano's service, and (2) hold firm in your commitment to human rights in our relations with the Third World. I was astounded at the extent to which your statements on the subject have been read and understood, down into the tiniest

Pueblito and squatter settlement in both El Salvador and Guatemala. The people there understand too that their well being is profoundly effected by U.S. foreign policy and your strong position on human rights has given them new hope that we will no longer give support or encouragement to oppressive governments.

Sincerely,

Richard S. Scobie, Ph.D.
Executive Director

RSS:bt

cc: Cyrus Vance
Secretary of State

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Stu Eizenstat -

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

Rick Hutcheson

Re: Export/Import Statistics

THE WHITE HOUSE
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
X		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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

		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING

		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		STRAUSS
		WELLS
		VOORDE

THE PRESIDENT HAS SEEN.

Stu -
good
J

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Table 3: U. S. Competitiveness Indicators

Table 4: U. S. International Transactions 1977:I

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Table 6: Projected World Current Account Pattern in 1977

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Table 1.--U.S. Exports of Goods and Services
as % of GNP

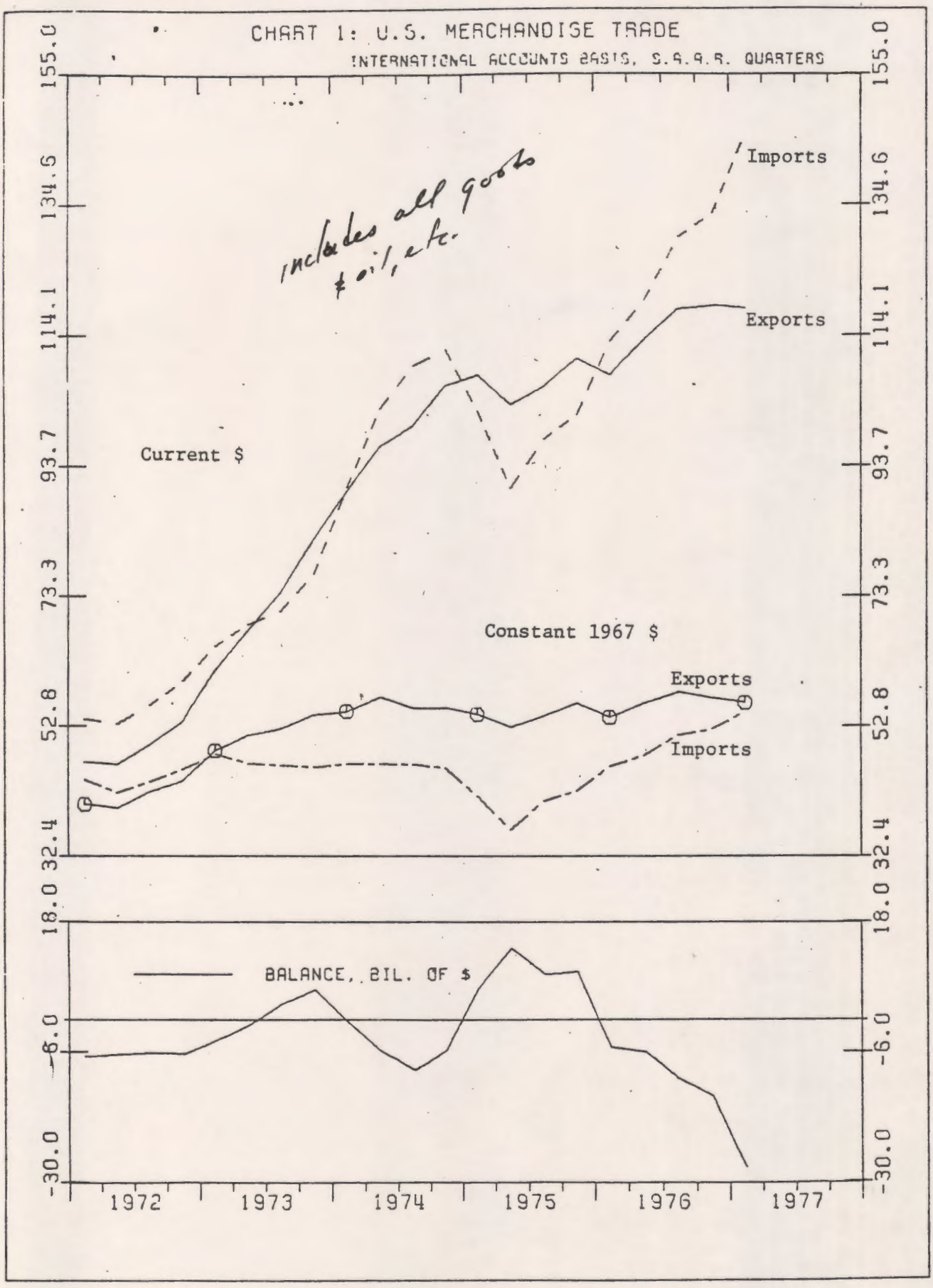
	%
1951-1955	4.17
1956-1960	4.74
1961-1965	5.15
1966-1970	5.65
1971-1975	7.02
1971	6.131
1972	6.208
1973	7.077
1974	8.007
1975	7.603
1976	7.599

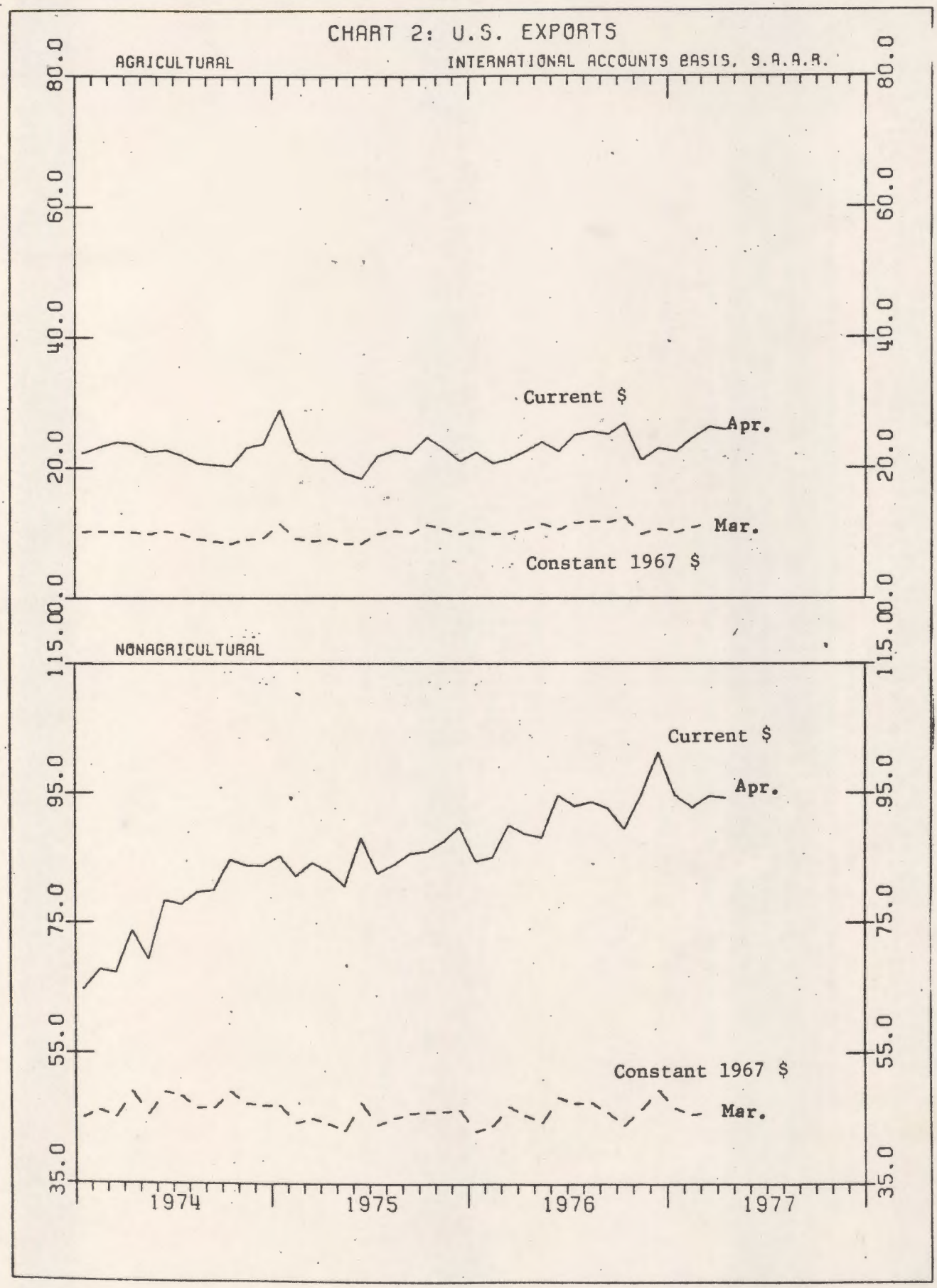
Note:

	Total Domestic Business Investment	Exports
1976	$160 billion	$163 billion

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CHART 2: U.S. EXPORTS
AGRICULTURAL
INTERNATIONAL ACCOUNTS BASIS, S.A.A.R.
80.0
60.0
40.0
20.0
0.0
Current $
Apr.
Mar.
Constant 1967 $
115.00.0
NONAGRICULTURAL
95.0
75.0
55.0
35.0
Current $
Apr.
Constant 1967 $
Mar.
1974
1975
1976
1977

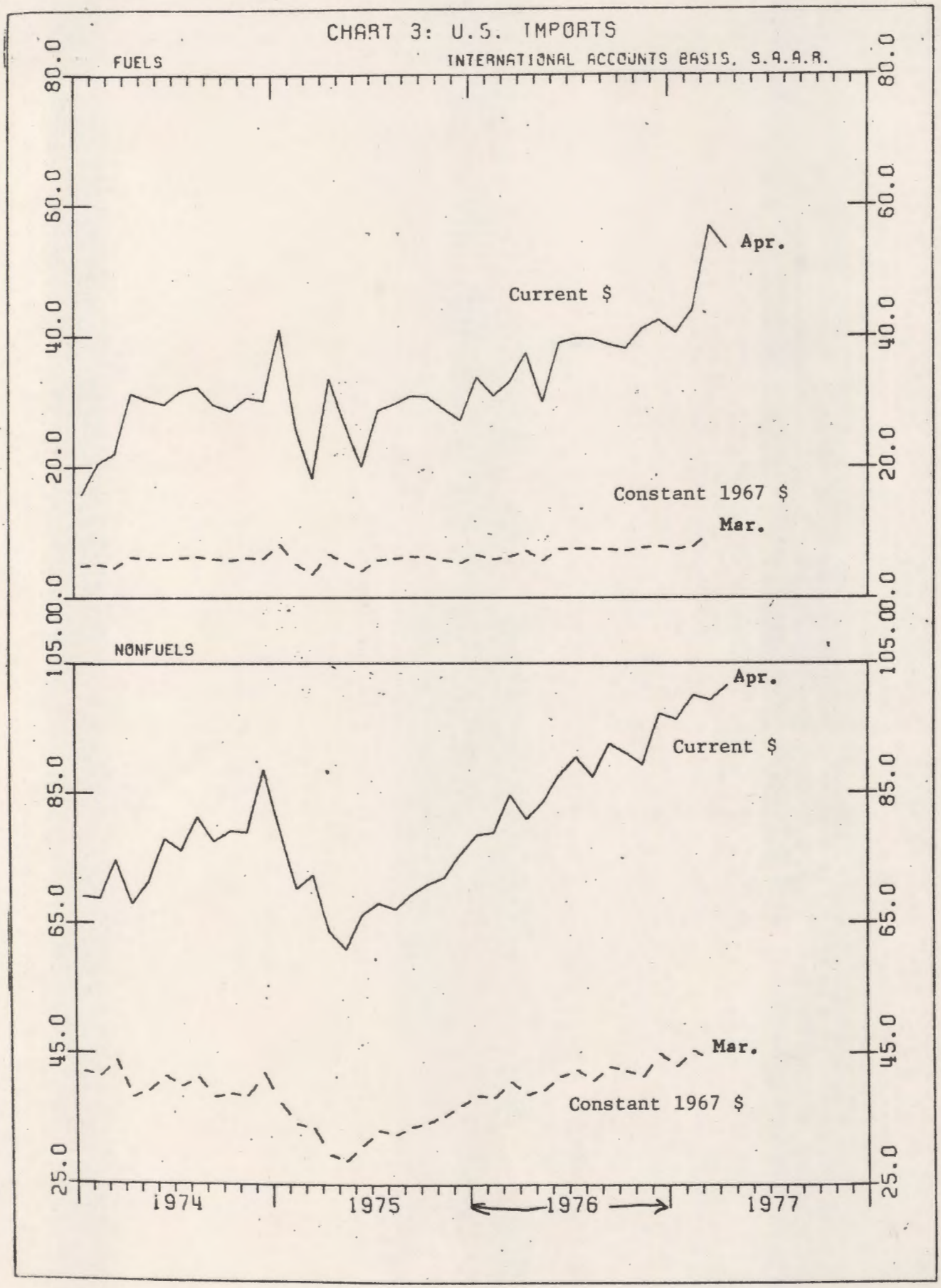

CHART 3: U.S. IMPORTS
INTERNATIONAL ACCOUNTS BASIS, S.A.A.R.
FUELS
80.0
60.0
40.0
20.0
0.0
Apr.
Current $
Constant 1967 $
Mar.
NONFUELS
105.00.0
85.0
65.0
45.0
25.0
Apr.
Current $
Mar.
Constant 1967 $
1974
1975
1976
1977

Table 2. -- US. Share of World Exports of Manufactures
(Based on value of exports)

	Manufacturing Total	Chemicals	Nonelectric Machinery	Electric Machinery	Transport Equipment	Basic Manufactures	Miscellaneous Manufactures
1970	21.3 %	29.6	28.1	22.7	29.0	N.A.	N.A.
1971	20.1	29.1	25.6	21.1	29.7	10.8	16.1
1972	19.1	29.6	25.1	20.9	26.4	10.5	15.5
1973	19.5	28.2	25.2	21.6	27.0	11.4	16.2
1974	20.2	27.9	26.3	23.0	29.0	12.3	17.3
1975-1st Q	20.6	20.1	28.4	22.2	26.8	12.0	17.6
2nd Q	20.4	19.4	27.0	22.0	26.3	12.0	16.9
3rd Q	21.9	20.5	27.7	22.6	30.3	12.9	17.4
4th Q	21.7	20.5	28.1	22.4	28.1	13.2	17.4
1976 1st Q	20.5	20.3	26.8	22.7	24.5	12.6	17.3
2nd Q	20.6	21.1	26.9	23.3	25.5	11.8	17.1
3rd Q	20.2	20.1	26.9	23.6	23.8	11.6	16.9
4th Q	20.0	20.1	26.0	22.4	25.2	11.2	16.6
1976 Value of U.S. Shipments(Bil. $)	78.5	10.0	22.2	9.5	18.3	11.5	6.9

Note: World exports are defined as exports from the 15 major industrial countries, which account for 80 percent of total world exports of manufactures to non-U.S. markets. Shares are based on export values excluding shipments to the United States.

SOURCE: Department of Commerce

Table 3.-- U.S. Prices and Costs Relative to Foreign (Adjusted for Exchange Rates)
(1970 = 100)

	1973 III	1975 III	1976 III
CPI	77	78	77
Manufactures export prices	81	89	91
Actual unit labor costs	72	67	70[1/]
Unit labor costs based on trend productivity	74	74	75

Based on comparisons of price and exchange rate movements in the G-10 countries plus Switzerland weighted by size and elasticity of trade in 16 countries.

1/ 1976 II

Table 4. U. S. International Transactions, 1977:I
(Billions of dollars, seasonally adjusted annual rate)

Merchandise Trade Balance	-27.9
Military and Service Transactions, Net	15.2
of which:	
Investment Income, Net	12.7
Transfer Payments 1/	- 4.6
Balance on Current Account	-17.3
U.S. Government Capital, Net	0.4
Private Capital Flows, Net 2/	9.7
OPEC portfolio investments	10.0
Changes in U.S. dollar holdings of other foreign governments	9.4
Changes in U.S. Reserve Assets (increase (-))	1.6
Statistical Discrepancy	3.2

1/ Includes U.S. government grants and pensions, and private remittances.

2/ Direct and portfolio investment flows.

NOTE: Details may not add to totals because of rounding. Data from U.S. Departments of Commerce and Treasury. Current Account and U.S. Government capital are seasonally adjusted.

Table 5.-- U.S. Merchandise Trade and Current Account Projections
(in billions of dollars, seasonally adjusted annual rates)

	Balances			Exports			Imports		
	Current Account 1/	Merchandise Trade	Merchandise Trade (ex.Petrol)	Total	Agricultural	Non-Agricultural	Total	Petroleum and Products	Non-Petroleum
Years									
1971	-4.0	-2.3	1.3	43.3	7.8	35.5	45.6	3.6	42.0
1972	-9.8	-6.4	-1.7	49.4	9.5	39.9	55.8	4.7	51.1
1973	-1	0.9	9.3	71.4	18.0	53.5	70.5	8.4	62.1
1974	-2.4	-5.4	21.2	98.3	22.4	75.9	103.7	26.6	77.1
1975	11.9	9.0	36.0	107.1	22.2	84.8	98.1	27.0	71.1
1976	-0.7	-9.2	25.4	114.7	23.4	91.3	123.9	34.6	89.3
	CEA Staff Forecast (6/10/77)								
1977	-14.2	-25.6	15.7	124.2	24.8	99.4	149.8	41.3	108.5
1978	-17.0	-29.5	15.5	140.7	25.2	115.5	170.1	44.9	125.2

Note: Merchandise trade data are on an international accounts basis.

1/ Differs from published data by excluding grants to Israel under U.S. military assistance acts and exports financed by these grants and also excludes extraordinary loan-to-grant conversions with India.

Table 6 -- Projected World Current Accounts Pattern in 1977

OPEC countries	42
OECD countries	-32
United States	(-14)
Germany, Japan	(7-1/2)
Belgium, Netherlands, Switzerland	(5-1/2)
Canada	(-4)
France	(-5-1/2)
Italy	(0)
United Kingdom	(0)
Other OECD countries	(-21-1/2)
Non-oil developing countries	-24
Remainder*	14

*Sino Soviet countries, which are expected to have a deficit, and discrepancy.

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Greg Schneiders -

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

Rick Hutcheson

Re; Medal of Freedom -
Dr. Robert Coles

booklet to Greg.

THE PRESIDENT HAS SEEN.

THE VICE PRESIDENT
WASHINGTON

To Greg
I

June 30, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: THE VICE PRESIDENT

SUBJECT: PRESIDENTIAL MEDAL OF FREEDOM

If you are still considering candidates for the Presidential Medal of Freedom, I would like to recommend the child pyschiatrist and author, Dr. Robert Coles.

You are probably familiar with Coles' series entitled Children of Crisis, which is highly regarded among educators and those who have worked most closely with the problems of the disadvantaged. He is a Pulitzer Prize winner, whose reputation is built upon a respect for the complexity of people, his refusal to stereotype them, and his practice of living with the people about whom he writes -- travelling in the migrant stream, living on an Indian Reservation, getting to know the problems of the South in connection with desegregation.

I believe that the choice of an individual who has contributed so much in the effort to understand the stresses affecting families and young children would be very well received. The fact that he is not well known could be a plus, illustrating your desire to reach out and recognize those who have made a quiet, but important contribution to our nation.

I am attaching an in-depth profile on Robert Coles, in the event you would like to know more about him.

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THE WHITE HOUSE
WASHINGTON

July 1, 1977

Hamilton Jordan
Greg Schneiders

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

Rick Hutcheson

Re: Medal of Freedom

THE WHITE HOUSE
WASHINGTON

7-1-77

To Ham & Greg

Medal of Freedom

to

ML King Jr

Jonas Salk

J. C.

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for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Stu Eizenstat
Bob Lipshutz

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

Rick Hutcheson

Re: Processing Nixon Tapes

THE WHITE HOUSE
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
	✓	EIZENSTAT
		JORDAN
	✓	LIPSHUTZ
		MOORE
		POWELL
		WATSON

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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

		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING

		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		STRAUSS
		WELLS
		VOORDE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 30, 1977

Stu - proceed ok - as suggested J

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT Stu

SUBJECT: Processing Nixon Tapes

At your request I looked into the matter of the government's duty with respect to the Nixon tapes. As you know, the Supreme Court upheld the constitutionality of the Presidential Recordings and Materials Act, the law making these tapes public property.

One of the Act's requirements is that all material associated with the Watergate scandal is to be available to the public at the "earliest reasonable date." Congress and GSA agreed to three years as that reasonable date. GSA estimates that it will cost about $8 million to meet this deadline. Salaries for 100 new archivists comprise a large portion of this cost. An earlier estimate of $55 million was made at a time when there was Congressional pressure on GSA to give "universal notice" to all those mentioned in the tapes prior to their publication. This request for notification has since been withdrawn.

Although the Act requires public access to the tapes, it does not mandate the manner in which they are to be made available. Plans to place copies of the processed tapes in the 11 regional archives offices were developed by staff at the National Archives in response to perceived public and Congressional pressure for widespread distribution. These plans are subject to revision.

GSA (National Archives) has not requested an appropriation for handling the Nixon materials. Law suits over the regulations governing public access will delay work on the tapes for some time. It is not clear whether the appropriations committees will be as generous to GSA on this matter as were the authorizing committees.

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for Preservation Purposes

Congressman Brademas appears to be the most vociferous in wishing to have these tapes distributed throughout the country.

I would suggest that you direct Jay Solomon, the new head of GSA, of which the National Archives is a division, to develop plans to maintain the tapes only in Washington and to begin to develop rules for the reasonable use of those tapes, with specific cost estimates. I believe that it is within your authority to significantly limit both the cost and the distribution of these tapes throughout the country.

THE WHITE HOUSE

WASHINGTON

July 1, 1977

COMMENTS ON STU EIZENSTAT'S MEMO OF JUNE 30, 1977

FROM: Robert Lipshutz RJL by MHC

I concur that the early estimate of $55 million for processing the Nixon papers is not a realistic figure, and that $7 to 8 million is a more appropriate estimate of the cost of processing Watergate related materials in a three-year period. Thereafter, the cost of maintaining the Nixon materials is estimated to be between $500,000 and $800,000 annually, comparable to the annual cost of maintaining other Presidential libraries.

I also concur that we should actively discourage plans to place copies of the Nixon tapes in National archives offices outside of Washington, D.C. Centralized storage of the Nixon materials in one location is appropriate. There is no statutory requirement that the tapes or materials be available in more than one location.

Public access to the tapes and to other Nixon materials will be governed by regulations. These regulations must be submitted to Congress for approval. They were submitted June 2, 1977. If they are not disapproved within 90 legislative days, they are deemed approved.

Attorneys for Richard Nixon will undoubtedly challenge in court the regulations which establish public access to the Nixon materials. As long as Nixon continues to retain attorneys, I am confident that we can expect tenacious challenge to the opening of the Nixon materials to the public. Public scrutiny of the materials will occur years from now, and only after lengthy litigation.

THE WHITE HOUSE

WASHINGTON

Date: June 30, 1977 MEMORANDUM

FOR ACTION:	FOR INFORMATION:
Bob Lipshutz	Margaret McKenna

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Eizenstat's memo 6/30/77 re Processing Nixon Tapes

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 3:00 PM

DAY: ~~Saturday~~ Friday

DATE: July 2, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

NOTE: The President asked Stu for this before the weekend. Are you all working on a similar memo?

STAFF RESPONSE:

____ I concur. ____ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

June 30, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT

SUBJECT: Processing Nixon Tapes

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THE WHITE HOUSE

WASHINGTON

July 1, 1977

The Vice President
Midge Costanza
Stu Eizenstat
Hamilton Jordan
Frank Moore
Jody Powell
Jack Watson
Hugh Carter

Re: Presidential Materials

The attached memorandum was given to the President. This copy is for your information.

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON

	ENROLLED BILL
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		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
		KING

		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		STRAUSS
		WELLS
		VOORDE

THE WHITE HOUSE

WASHINGTON

July 1, 1977

MEMORANDUM

TO: Rick Hutcheson

FROM: Bob Lipshutz

Attached is a memorandum which I delivered to the President and Jody about an hour and a half before the press conference. I suggest that you give broad circulation to the senior staff members of this memorandum for information purposes.

THE WHITE HOUSE

WASHINGTON

June 29, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Robert Lipshutz
Michael Cardozo

SUBJECT:
A. Supreme Court Decision in Nixon v. Administrator of General Services Administration
B. Status of Nixon materials and obligations of GSA
C. Your own plans for handling Presidential materials and papers

A. Supreme Court Decision in Nixon v. Administrator of GSA

Upon his resignation as President, Nixon executed a depository agreement with the Administrator of General Services providing for the storage, near his California home, of his Presidential materials. Pursuant to the agreement, neither Nixon nor GSA could gain access to the materials without the other party's consent. After a three-year period Nixon could withdraw any materials except tape recordings. With respect to the tape recordings, Nixon agreed not to withdraw the originals for five years after which time he could destroy any of the tapes. The tapes had to be destroyed by 1983 or upon Nixon's death, whichever first occurred. The right of Nixon to destroy Presidential papers and tapes was of great concern to the Congress and to the Special Prosecutor. Shortly after the agreement was made public, Congress enacted the Presidential Recordings and Materials Preservation Act ("Act"). It abrogated the Nixon-GSA agreement. Title I of the Act directs the Administrator of GSA to take custody of Nixon's Presidential materials, have them screened by government archivists in order to return to Nixon personal and private materials, and to preserve those materials having historical value. The Administrator of GSA is directed to promulgate regulations governing eventual public access to the materials.

The Supreme Court ruled on Tuesday that Title I of the Act is constitutional. Specifically, the Court held that the Act does not violate the principle of separation of powers, does not violate the Presidential privilege of confidentiality, does not significantly interfere with or chill Nixon's First Amendment associational rights, and does not violate the Bill of Attainder clause in the Constitution.

Title I of the Act deals only with the papers and tapes of Nixon. Noting the unique nature of events surrounding Watergate, Nixon's resignation, and Nixon's agreement with GSA, the majority opinion held that Nixon "constituted a legitimate class of one." The Act and the Court's decision affect only the papers of Richard M. Nixon and are not applicable to your papers.

However, Title II of the Act establishes a National Study Commission on Records and Documents of Federal Officials (the Brownell Commission) to review subsequent handling of Presidential and other federal papers. That Commission has recently submitted its report. It is under review in the White House and Congress now.

B. Status of Nixon Materials and Obligations of GSA

It is estimated that the Nixon Presidential papers and materials consist of 42 million pages of documents and 880 tape recordings of conversation. Almost all of these materials are in GSA storage areas. The Nixon tapes and safes containing the office files of Messrs. Nixon, Haldeman, Erlichman and Dean are stored in the Old Executive Office Building under Secret Service guard and in the legal custody of the Counsel to the President.

To date there has been no archival processing of Nixon materials. Regulations establishing procedures for processing must first be approved by Congress. Proposed regulations are now under review in Congress. The Act requires that the regulations ensure that due process is maintained and the privacy rights of individuals involved are preserved. The Congress directed that the Watergate related materials be opened at the earliest possible date "to make the truth known" but there is no set date by which this must be completed. The archivists did indicate that in order to have the Watergate materials available to the public in three years it would require the services of 100 archivists but Congress did not set a three-year date. Accordingly, a $55 million estimate seems to be excessive and entirely unrealistic.

We understand that you expressed concern today that making the Nixon materials available to the public would reopen wounds caused by Watergate and that you were inclined to discourage public accessibility. We remind you that the seizure of the Nixon materials pursuant to the Act was mandated by Congress and has now been upheld by a 7 to 2 decision of the Supreme Court. We would suggest that you be extremely careful in expressing an opinion on this matter since the Supreme Court has now approved of the procedures established by the Congress. To challenge the advisability of making the papers public is to question the judgment of Congress, as affirmed by the special three-judge court and the Supreme Court.

C. Your Papers

Your staff is presently reviewing the reports submitted by the National Study Commission on Records and Documents of Federal Officials. Upon completion of that review and any further study which may be needed, you will establish and announce procedures for the handling of the papers of your Administration.

If pressed, you may want to state that it is your view that Presidential papers should be transferred to the custody of the United States upon completion of a President's term of office and sometime thereafter become available to the public. However, the procedures and timing for establishing public access are under review by your staff.

THE WHITE HOUSE
WASHINGTON

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

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

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

		ARAGON
		BOURNE
		BRZEZINSKI
		BUTLER
		CARP
		H. CARTER
		CLOUGH
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HOYT
		HUTCHESON
		JAGODA
	X	KING

		KRAFT
		LANCE
		LINDER
		MITCHELL
		POSTON
		PRESS
		B. RAINWATER
		SCHLESINGER
		SCHNEIDERS
		SCHULTZE
		SIEGEL
		SMITH
		STRAUSS
		WELLS
		VOORDE

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Robert Lipshutz -

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

Rick Hutcheson

cc: Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

Re: Non-Career Executive Assignment

THE WHITE HOUSE
WASHINGTON

Mr. President:

Jordan, King, Watson and Eizenstat concur. Watson and Eizenstat both see the Lipshutz suggestion as an acceptable temporary or compromise solution. Watson says that several Cabinet officers favor removing CSC's authority (under an existing Executive Order) to review the qualifications of non-career executive appointees, and suggests that you leave open the possibility of additional action in the future, should the Lipshutz letter not result in prompt and effective action. Stu points out that legislation is also a possible long-term solution.

Rick

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 27, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ RBL
MARGARET McKENNA MMK

SUBJECT: Non-Career Executive Assignments

As you know, several Cabinet Secretaries have expressed concern over the process by which the Civil Service Commission approves individuals for non-career super grade positions. GS 16's, 17's and 18's and NEA positions are political appointees outside the traditional Civil Service structure. Several of the agencies involved -- OMB and the Civil Service Commission -- have agreed that a presumption could be created in favor of the Cabinet Secretaries' certification that the person is in fact qualified for the position according to education and experience. If the Civil Service Commission was not satisfied with the certificate on its face, they would then always have the opportunity to go beyond the certificate and in fact look at various qualifications and experience of the individual.

Alan Campbell has suggested that a letter from our office would be helpful to him prior to his issuing regulations concerning this matter. The attached letter has been reviewed by the Department of Justice and found acceptable.

Approve ✓

Disapprove _____

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

June 24, 1977

Dear Mr. Chairman:

This office has been exploring with you for some weeks possible revisions in the procedures under which the Civil Service Commission reviews the qualifications of proposed nominees for noncareer executive assignments at grades GS-16, 17 and 18. We have agreed that it is appropriate to give great weight to the determinations of Cabinet members with respect to the sufficiency of the qualifications of their nominees. The Cabinet members and heads of agencies are giving careful consideration to the qualifications of persons for these positions and devising new and flexible means to give appropriate weight to the credentials of persons who have not followed traditional career patterns.

It is important to the Administration that changes in the noncareer appointment system be accomplished quickly so that our efforts to recruit women, minorities and handicapped persons will not be adversely affected. I am, therefore, requesting that you devise procedures under which an agency could elect to have the Commission review N.E.A. appointments on the basis of a certification provided by the head of the agency. The certification would:

1) summarize the nominee's qualifications as to education, relevant prior work or professional experience, citizenship, relevant language capability and any other relevant factors;

2) certify that, in the judgment of the head of the department or agency, the nominee has the qualifications to perform successfully the noncareer executive assignment; and

3) request that the Civil Service Commission approve the qualifications of the nominee, pursuant to 5 U.S.C. 3324, on the basis of the certification.

It is expected that the Commission would normally evaluate N.E.A. assignments on the basis of the certifications, although your agency would of course retain the right to look behind them.

The procedures you devise should be communicated to the heads of departments and agencies with a suggested certification form for their use.

I am confident that this action by the Commission will resolve the recurring problems with nominations for non-career executive assignments.

Sincerely,

ROBERT J. LIPSHUTZ
Counsel to the President

Mr. Alan Campbell
Chairman
Civil Service Commission
Washington, D. C. 20415

THE WHITE HOUSE

WASHINGTON

Date: June 28, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ **Your comments**

Other:

STAFF RESPONSE:

____ **I concur.** ____ **No comment.**

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

June 27, 1977

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MARGARET McKENNA MMK

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Approve _____

Disapprove _____

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WASHINGTON

June 24, 1977

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Sincerely,

ROBERT J. LIPSHUTZ
Counsel to the President

Mr. Alan Campbell
Chairman
Civil Service Commission
Washington, D. C. 20415

THE WHITE HOUSE

WASHINGTON

June 27, 1977

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Approve _____

Disapprove _____

THE WHITE HOUSE

WASHINGTON

see if they plan to comm
Stu has comments

Date: June 28, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

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DATE: June 30, 1977

no extensions

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__X__ **Your comments**

Other:

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Please note other comments below:

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THE WHITE HOUSE

WASHINGTON

June 24, 1977

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Sincerely,

ROBERT J. LIPSHUTZ
Counsel to the President

Mr. Alan Campbell
Chairman
Civil Service Commission
Washington, D. C. 20415

WASHINGTON

Date: June 28, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

77 JUN 28 PM 4 53

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

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TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

STAFF RESPONSE:

____ I concur. ____ No comment.

Please note other comments below:

As you may know, several Cabinet secretaries - DoD, HEW, HUD, Interior - support changing the Executive Order which gives the Civil Service Commission the responsibility of determining whether proposed candidates are "qualified" for the GS-16 and above. This suggestion by Lipshutz is a compromise -- to permit the Civil Service Commission to take steps short of changing the Executive Order. We suggest that you endorse the proposal, but

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

THE WHITE HOUSE

WASHINGTON

June 30, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT
STEVE SIMMONS

SUBJECT: Lipshutz-McKenna Memo on
Non-Career Executive Assignments

We concur with the recommendation of Robert Lipshutz and Margaret McKenna to create a new approval process for supergrade political appointees, and suggest you approve the Lipshutz letter to Chairman Campbell.

The long range solution to approving these political appointees for supergrade non-career executive assignments is legislative. At the present time approximately 1500 Schedule C positions which are at the GS-15 or below level are political appointments made by department or agency heads without any CSC review or approval. It is hard to distinguish why the approximately 600 supergrade non-career executive assignment positions which are also political appointments should be run through the CSC for approval. However, the only way to remove the CSC entirely from the approval process for non-career executive assignments is by legislation and this would take time. There is a need for immediate action, and the proposed certifying process in the Lipshutz-McKenna memorandum provides an acceptable temporary solution and should be approved.

We will shortly have to you memoranda prepared by Chairman Campbell pursuant to your request to me about what can be done about political appointees who have been moved into permanent GS levels.

THE WHITE HOUSE

WASHINGTON

369

Date: June 28, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

cc Lipshutz
McKenna
Simmons

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

STAFF RESPONSE:

____ I concur. ____ No comment.

Please note other comments below:

THE WHITE HOUSE

WASHINGTON

Date: June 28, 1977 MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

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YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

STAFF RESPONSE:

___ I concur. Jim Connell ___ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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THE WHITE HOUSE

WASHINGTON

Date: June 28, 1977 MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

_X_ Your comments

Other:

STAFF RESPONSE:

_✓_ I concur. ____ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

THE WHITE HOUSE
WASHINGTON

Mr. President:

Jordan, Watson and Eizenstat concur with the recommendations from Blumenthal et al.

Eizenstat points out that the OMB reorganization project has recommended to you that COWPS be transferred to the Department of Commerce. He opposes this transfer on the grounds that the Administration needs to retain a strong wage-price monitoring capacity. The agency charged with this monitoring should be respected for its neutrality vis-a-vis business and labor. Transferring the agency to Commerce would appear to confirm labor's fears, and might jeopardize the Administration's wage-price efforts.

(NOTE: This is the first of what will be several memos from your staff commenting on the EOP/WHO reorganization proposals. I suggest that I compile these as they come in, and forward to you a summary in advance of the time you plan to make a decision. If you approve, please indicate when you plan to make your reorganization decisions.)

Rick

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Frank Moore -

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

Rick Hutcheson

Re: Telephone call to Senator McIntyre

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 30, 1977
7:30 pm.

Done
F

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE FM

The Senate has just defeated the McIntyre amendment to delete funds for all water projects opposed by the Administration by a vote of 34 yeas; 52 nays.

I strongly recommend that you telephone Senator McIntyre thanking him for all of his help.

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for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

July 1, 1977

The Vice President
Stu Eizenstat
Jack Watson
Bert Lance

Re: Budget Issue in the Vice President's Speech to the NEA July 5

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

Rick Hutcheson

THE PRESIDENT HAS SEEN.

Fritz
ok -
J

THE WHITE HOUSE

WASHINGTON

Electrostatic Copy Made
for Preservation Purposes

June 30, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: THE VICE PRESIDENT

SUBJECT: Budget Issue in My Speech to the NEA, July 5

I am scheduled to appear before the NEA National Convention next Tuesday, and I will have to address the budget/appropriations question.

I would like to make two points in my speech:

--First, that our own budget, which added $1.5 billion to education above the Ford proposal, represents a major step forward for education, and

--Second, that -, although we believe that they are poorly targeted - you are prepared to accept the increased funding for education (Impact Aid and National Direct Student Loans) added by the House.

As you know, Bert Lance and Joe Califano have agreed with the House leadership that we would accept the House version of the HEW/Labor appropriation, and there are no significant differences between the Senate and House on education. There are major differences in health. The speech draft does not commit you to sign the bill unless these differences are satisfactorily resolved.

The speech also calls on the NEA to cooperate with us and the Congress in achieving Impact Aid reform.

I am attaching relevent pages from the current speech draft.

Bo Cutter has reviewed these pages for Bert Lance and has no objection.

_____Approval

_____Disapproval

_____Discuss with me

Budget Increases

I'm proud that for the first time in eight years, we have an administration that's working with the NEA in Washington for a major increase in real spending for education. One of the first acts of this administration was to add 1 1/2 billion dollars to the education budget. The largest increase we asked for was $350 million to help disadvantaged kids under Title I. We increased bi-lingual education by $45 million. We asked for $50 million to help educate handicapped children.

For higher education, we asked for a $472 million increase in Basic Opportunity Grants. And we changed the eligibility standards to make this assistance more available to children of working families.

Now the Congress saw that we were headed in the right direction with these budget measures, and they decided to help us get there even sooner. So the House added additional funds to the education budget. I know this came as a total surprise to the NEA legislative department.

Taken together, these budget hikes represent a 15 percent increase in total federal spending for education next year. And while we wish that they had been better targeted, they represent the largest increase in federal dollars for education since the Elementary and Secondary Education Act was passed.

And I'm pleased to announce to this group that if other issues in the HEW bill can be resolved, President Carter will sign that legislation when it reaches his desk, and teachers can count on receiving that major increase in education funds.

We are also committed to seeing that every federal dollar spent for education goes where it's needed the most. That's why this administration is committed to reforming our federal impact aid program.

We spend more than $700 million a year in impact aid. Right now, one dollar in four goes to a school district in the upper 25 percent income bracket of this nation. That's just not a wise use of our resources. . . at a time when so many poorer school districts are starving for additional funds.

We want to reform this program in a way teachers can support. We want to target these funds to the areas where the real needs are. And we need your help. Your views carry a special weight on this issue, and I hope we can count on your support in this effort.

THE WHITE HOUSE

WASHINGTON

July 1, 1977

Secretary Blumenthal
The Vice President
Stu Eizenstat
Hamilton Jordan
Frank Moore
Jack Watson
Bert Lance
Charlie Schultze

Re: Future of Council on Wage and Price Stability

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

Rick Hutcheson

PRIORITY

THE SECRETARY OF THE TREASURY

WASHINGTON 20220

June 22, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Michael Blumenthal
Bert Lance
Charlie Schultze
Frank Moore

SUBJECT: Future of Council on Wage and Price Stability

Events in Congress have put in jeopardy legislation extending the life of the Council on Wage and Price Stability (CWPS) past next September 30. At the same time, the fate of CWPS is under consideration by the Reorganization team for the EOP. Needing to communicate soon to the Congress the Administration's wishes regarding CWPS, we seek your guidance.

Congressional Status

The House Banking Committee several weeks ago approved a bill authorizing extension of the life of the Council for two years past next September 30. Since that time, the measure has languished in the House. The Senate has scheduled hearings on a similar bill for late July. Committee staff in both houses report that there is little enthusiasm for the measure, but also little visible opposition.

On June 8, however, the CWPS appropriation for FY 1978 was struck from the House appropriations bill on the point of order that authorizing legislation for CWPS had not yet been enacted. That action prompted a letter to you from Congressmen Henry Reuss and William Moorhead (~~attached~~) asking your intervention with the Speaker in order to bring the CWPS legislation to the House floor.

EOP Reorganization

The OMB report on EOP reorganization will reach you soon. That report will include a number of options for

CWPS, probably including options to reduce, expand or abolish the agency.

Decisions Needed

We do not wish to foreclose your reorganization options. However, we have all expressed strong support for CWPS on the Hill, pointing out the key roll CWPS plays in your anti-inflation program. If you wish to retain CWPS, we must take further steps soon to prod the Congress into enacting legislation. In particular:

1. You recently approved the nomination of Barry Bosworth to be Director of CWPS. (Charlie Schultze has talked to Tom Donahue of the AFL-CIO about the Bosworth nomination. No commitments were asked or given, but Donahue appreciated being informed. Charlie also has called Senator Proxmire, who was enthusiastic, and Congressman Moorhead, who did not know Bosworth but had no objections to his nomination.) Senate and House staff members believe that your nomination of a Director would contribute enormously to passing the authorizing legislation for CWPS. We would like to announce Bosworth's nomination as soon as his security and financial clearances are final.

✓ Approve , Disapprove

2. We would like to send the attached letters from you to Congressmen Reuss and Moorhead, to Congressman James Delaney, and to the Speaker, indicating your continuing interest in CWPS and your desire to have the legislation passed as soon as possible.

Send as drafted ✓

Send with changes marked _____

Do not send _____

See me _____

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3. Frank Moore wishes to discuss with the Speaker getting a rule in the House, as Congressmen Reuss and Moorhead suggest, to expedite passage of the authorizing legislation.

_____ Approve

_____ Disapprove

Attachments

DRAFT LETTER FOR THE PRESIDENT'S SIGNATURE to:

James Delaney, Rules Committee of the House Committee on Banking, Finance and Urban Affairs

Dear Mr. Chairman:

As you know, the House Committee on Banking reported out H.R. 6951, which would extend the life of the Council on Wage and Price Stability for a two year period. The authorizing legislation establishing the Council expires September 30, 1977. Language in the Treasury Appropriations Bill providing funds for the Council for fiscal 1978 was eliminated in the House on a point of order because the authorizing legislation had not been enacted into law.

I am supporting this legislation and would appreciate anything you could do to expedite a rule.

Sincerely,

J.C.

bcc: to Tip O'Neill with note "We need your help on this one."

J. C.

DRAFT LETTER FOR THE PRESIDENT'S SIGNATURE to:

Congressman Reuss and Congressman Moorhead

Dear

Thank you for your recent letter on the Council on Wage and Price Stability. I certainly agree with your assessment and I am writing the Chairman of the Rules Committee to ask him to expedite a rule on this legislation.

I certainly appreciate your concern and support.

Sincerely,

J.C.

THE WHITE HOUSE

WASHINGTON

Stu comments

Date: June 28, 1977

MEMORANDUM

FOR ACTION:

Stu Eizenstat — Attached
Hamilton Jordan concurs
Jack Watson — OMC - suggested revisions

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Blumenthal/Lance/Schultze/Moore's memo 6/22/77
re Future of Council on Wage and Price Stability

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 1:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

X ___ Your comments

Other:

STAFF RESPONSE:

___ I concur. ___ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

June 30, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT

SUBJECT: Memo From Blumenthal, Lance, Schultze and Moore Regarding Council on Wage and Price Stability

In reviewing this memorandum you should be aware that the OMB Reorganization Project has recommended to you that the Council on Wage and Price Stability be tranferred to the Commerce Department.

The recommendation of Messrs. Blumenthal, Lance, Schultze and Moore that you express strong support for a two-year extension of COWPS at the present time would make it difficult for you to adopt the OMB recommendation that COWPS be transferred to Commerce.

However, I strongly suggest that you reject the recommendation that COWPS be transferred. We believe it is critical that the Administration retain a strong capacity for wage/price monitoring. It is essential that the agency charged with this monitoring be respected for its neutrality between business and labor. As you know, the efforts of the previous Administration along these lines were strongly criticized for a pro-business tilt. Transferring the agency to Commerce would appear simply to confirm labor's fears. It would be strongly opposed and even if successfully implemented would severely jeopardize our wage/price efforts.

I concur with the recommendation made by Mike, Bert, Charlie and Frank that you express strong support for a two-year extension of COWPS and recommend against any subsequent effort to transfer the agency out of the EOP.

With respect to the proposed appointment of Barry Bosworth as COWPS Director, I have taken no soundings with either business or labor, but know Barry as a competent economist.

THE WHITE HOUSE
WASHINGTON

6/29

TO: RICK HUTCHESON

FROM: Eleanor Connors

Hamilton concurs in #1-and we are informed that his (Bosworth's clearance) will be completed Thursday, June 30th so we can move quickly.

He also concurs in #2 and #3.

PRIORITY

THE SECRETARY OF THE TREASURY

WASHINGTON 20220

June 22, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Michael Blumenthal MWB
Bert Lance BL
Charlie Schultze CLS
Frank Moore FM

SUBJECT: Future of Council on Wage and Price Stability

Events in Congress have put in jeopardy legislation extending the life of the Council on Wage and Price Stability (CWPS) past next September 30. At the same time, the fate of CWPS is under consideration by the Reorganization team for the EOP. Needing to communicate soon to the Congress the Administration's wishes regarding CWPS, we seek your guidance.

Congressional Status

The House Banking Committee several weeks ago approved a bill authorizing extension of the life of the Council for two years past next September 30. Since that time, the measure has languished in the House. The Senate has scheduled hearings on a similar bill for late July. Committee staff in both houses report that there is little enthusiasm for the measure, but also little visible opposition.

On June 8, however, the CWPS appropriation for FY 1978 was struck from the House appropriations bill on the point of order that authorizing legislation for CWPS had not yet been enacted. That action prompted a letter to you from Congressmen Henry Reuss and William Moorhead (attached) asking your intervention with the Speaker in order to bring the CWPS legislation to the House floor.

EOP Reorganization

The OMB report on EOP reorganization will reach you soon. That report will include a number of options for

CWPS, probably including options to reduce, expand or abolish the agency.

Decisions Needed

We do not wish to foreclose your reorganization options. However, we have all expressed strong support for CWPS on the Hill, pointing out the key roll CWPS plays in your anti-inflation program. If you wish to retain CWPS, we must take further steps soon to prod the Congress into enacting legislation. In particular:

1. You recently approved the nomination of Barry Bosworth to be Director of CWPS. (Charlie Schultze has talked to Tom Donahue of the AFL-CIO about the Bosworth nomination. No commitments were asked or given, but Donahue appreciated being informed. Charlie also has called Senator Proxmire, who was enthusiastic, and Congressman Moorhead, who did not know Bosworth but had no objections to his nomination.) Senate and House staff members believe that your nomination of a Director would contribute enormously to passing the authorizing legislation for CWPS. We would like to announce Bosworth's nomination as soon as his security and financial clearances are final.

_____ Approve _____ Disapprove

2. We would like to send the attached letters from you to Congressmen Reuss and Moorhead, to Congressman James Delaney, and to the Speaker, indicating your continuing interest in CWPS and your desire to have the legislation passed as soon as possible.

Send as drafted _____

Send with changes marked _____

Do not send _____

See me _____

3. Frank Moore wishes to discuss with the Speaker getting a rule in the House, as Congressmen Reuss and Moorhead suggest, to expedite passage of the authorizing legislation.

_____ Approve

_____ Disapprove

Attachments

HENRY S. REUSS, WIS., CHAIRMAN
THOMAS L. ASHLEY, OHIO
WILLIAM S. MOORHEAD, PA.
FERNAND J. ST GERMAIN, R.I.
HENRY B. GONZALEZ, TEX.
JOSEPH G. MINISH, N.J.
FRANK ANNUNZIO, ILL.
JAMES M. HANLEY, N.Y.
PARREN J. MITCHELL, MD.
WALTER E. FAUNTROY, D.C.
STEPHEN L. NEAL, N.C.
JERRY M. PATTERSON, CALIF.
JAMES J. BLANCHARD, MICH.
CARROLL HUBBARD, JR., KY.
JOHN J. LAFALCE, N.Y.
GLADYS NOON SPELLMAN, MD.
LES AuCOIN, OREG.
PAUL E. TSONGAS, MASS.
BUTLER DERRICK, S.C.
MARK W. HANNAFORD, CALIF.
DAVID W. EVANS, IND.
CLIFFORD ALLEN, TENN.
NORMAN E. D'AMOURS, N.H.
STANLEY N. LUNDINE, N.Y.
HERMAN BADILLO, N.Y.
EDWARD W. PATTISON, N.Y.
JOHN J. CAVANAUGH, NEBR.
MARY ROSE OAKAR, OHIO
JIM MATTOX, TEX.
BRUCE F. VENTO, MINN.
DOUG BARNARD, GA.
WES WATKINS, OKLA.

J. WILLIAM STANTON, OHIO
GARRY BROWN, MICH.
CHALMERS P. WYLIE, OHIO
JOHN H. ROUSSELOT, CALIF.
STEWART B. McKINNEY, CONN.
GEORGE HANSEN, IDAHO
HENRY J. HYDE, ILL.
RICHARD KELLY, FLA.
CHARLES E. GRASSLEY, IOWA
MILLICENT FENWICK, N.J.
JAMES A. S. LEACH, IOWA
NEWTON I. STEERS, JR., MD.
THOMAS B. EVANS, JR., DEL.
BRUCE F. CAPUTO, N.Y.
HAROLD C. HOLLENBECK, N.J.

225-4247

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

NINETY-FIFTH CONGRESS

2129 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, D.C. 20515

June 9, 1977

Bill Cable
13 JUN 1977

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

On May 10, 1977, the House Committee on Banking, Finance and Urban Affairs, by a vote of 36 ayes to 2 nays, passed H.R. 6951, which, if enacted, would extend the life of the Council on Wage and Price Stability for a two-year period. Immediately thereafter we applied to the Rules Committee for a rule, but as of this date have not been granted a hearing. As you know, the authorizing legislation establishing the Council on Wage and Price Stability expires September 30, 1977.

Yesterday, appropriation language in the Treasury appropriation bill providing funds for the Council for Fiscal Year 1978 was eliminated in the House on a point of order because the authorizing legislation had not been enacted into law. We are also informed the appropriate Senate Committee with jurisdiction over COWPS is somewhat reluctant to bring it up for hearings and favorable consideration. It is also our understanding it will take the assistance of the Speaker of the House to obtain a rule from the House Rules Committee on this legislation.

Mr. President, we agree this legislation is important, and solicit your support and effort in assisting us in securing its passage by contacting the necessary legislators including, of course, the leadership in both Houses.

Sincerely,

William S. Moorhead
Chairman
Subcommittee on
Economic Stabilization

Henry S. Reuss
Chairman
House Committee on Banking,
Finance and Urban Affairs

cc: Frank B. Moore
Assistant to the President
for Congressional Liaison

DRAFT LETTER FOR THE PRESIDENT'S SIGNATURE to:

James Delaney, Rules Committee of the House Committee on Banking, Finance and Urban Affairs

Dear Mr. Chairman:

As you know, the House Committee on Banking reported out H.R. 6951, which would extend the life of the Council on Wage and Price Stability for a two year period. The authorizing legislation establishing the Council expires September 30, 1977. Language in the Treasury Appropriations Bill providing funds for the Council for fiscal 1978 was eliminated in the House on a point of order because the authorizing legislation had not been enacted into law.

I am supporting this legislation and would appreciate anything you could do to expedite a rule.

Sincerely,

J.C.

bcc: to Tip O'Neill with note "We need your help on this one."

J. C.

DRAFT LETTER FOR THE PRESIDENT'S SIGNATURE to:

Congressman Reuss and Congressman Moorhead

Dear

Thank you for your recent letter on the Council on Wage and Price Stability. I certainly agree with your assessment and I am writing the Chairman of the Rules Committee to ask him to expedite a rule on this legislation.

I certainly appreciate your concern and support.

Sincerely,

J.C.

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Hamilton Jordan -

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

Rick Hutcheson

Re: Special Envoy to the Vatican

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 30, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN

SUBJECT: Dave Walters - Special Envoy to the Vatican

When I proposed you make the appointment of Dave Walters as your personal envoy to the Vatican, you requested me to find out what Tip O'Neill and the Senate Catholic leaders thought of it.

Tip O'Neill has authorized me to tell you that he would support it completely; Senator Kennedy and other Catholic Senators have no problems with it.

Dave also has the personal support of Cardinal Cooke, who is pleased with the prospect. We have had word from a number of Bishops and Archbishops throughout the country indicating support for Dave.

Henry Cabot Lodge has had his resignation in since January and is prepared to leave the post at any time.

I recommend therefore that you authorize me to have State Department prepare the necessary papers. This is a part time position, no salary, and does not carry the rank of Ambassador.

Proceed ✓

Other _____ FC

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THE WHITE HOUSE

WASHINGTON

June 20, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN H.J.

SUBJECT: U. S. Special Envoy to the Vatican

It has been customary that the President appoint a personal envoy to the Vatican in order to maintain the liaison essential with the almost eight hundred million Catholics worldwide. The arrangement has on numerous occasions proven helpful to U. S. interests, including those related to human rights. In 1970 Henry Cabot Lodge was appointed to this non-paying post by President Nixon. He is still serving in that capacity and represented the U.S. at the recent canonization of the first Catholic U. S. male saint.

Dave Walters' name has been proposed to us for this appointment by many individuals. His appointment is one of the few things that Governor Askew has asked of us, and it is very important to the Governor. Walters is strongly supported and endorsed by Bob Strauss and by Senators Stone, Chiles, Humphrey, Jackson and Congressman Dante Fascell.

We solicited the views of State Department and they advise if you decide to appoint a Catholic to this position (Lodge, of course, is protestant), it should be someone acceptable to the hierarchy of the Catholic Church and also the individual should be a practicing Catholic with credentials in his local community and parish. Dave fits both specifications quite well. Any reservations the Vatican might have on the appointment of a Catholic rather than a Protestant to the Special Envoy post could be handled by prior consultation with the Vatican, based on the fact that Dave has many and strong personal contacts with clerical leaders of Catholic religious orders in Rome and is known to leaders in the Vatican.

Attached is a description of the Special Envoy position and its history, together with comments on Dave's qualifications for post.

P.S. This is a part time position, requiring a couple of trips a year to Vatican. We should replace Lodge.

U. S. Special Envoy to the Vatican

David Walters

Comments:

Reuben Askew, Gov. of Florida: Would be an outstanding appointment. Like the Catholic Church, his law practice has exposed him to a communication and dialogue with all people and nations throughout the world. His particular professional emphasis on international law has led him to serve as an advocate on behalf of the many waves of refugees and immigrants over the past twenty-seven years. He is knowledgeable in the geopolitical, social and economic developments in the world and can discuss them with firsthand authority. He understands and supports the President's stand on human rights.

Senator Hubert Humphrey, Minnesota: Recommend him most highly. He is a devout, practicing Catholic, and is an advocate of the ecumenical spirit as expressed in the Vatican Congress II. Within his own family the Catholic, Jewish and Protestant faiths have been represented, mostly through marriage. His reputation as a lawyer and as a Catholic are both extremely high.

Senator Henry Jackson, Washington: Strongly in favor of his appointment to this post. He is a personal friend of many clerical leaders of Catholic religious order in Rome, including the Society of Jesus (Jesuits).

Senator Lawton Chiles, Florida: Dave would be the ideal appointment to this post. He has been zealous in practicing his own faith and has achieved the title of Master Knight of the Soverign Military Order of Malta, one of the more esteemed papal orders.

Robert Strauss, Special Representative for Trade Negotiations: My first and only choice for this position. Although he does not speak Italian, he does speak Spanish, the language spoken by more than one-half of the Catholics in the world and widely used in the Vatican. He also speaks French to a lesser degree.

Senator Richard Stone, Florida: Has outstanding qualifications for the post. He is an active member of Serra International, the organization which is set up to encourage young people to enter the priesthood and religious orders. He has been Chairman of the Archbishops Charity Drive for his archdiocese which raised two million dollars for the poor and needy of South Florida.

DAVID WALTERS

59
Miami, Florida

Lawyer in private practice in Miami with speciality in International Law and Federal Practices.

Experience:

1940-1950 Government Service in the Department of Justice.

1950-1977 Private practice in Miami, Fla. The particular professional emphasis is on international law and Federal practices.

Education:

Baldwin College - BA
University of Miami Law School - LLB.
University of Miami Law School - JD

Outside Activities:

Chairman National Leukemia Society
Member of the Governors Advisory Council on Health
Past President, National Council of the Federal Bar Association
Member, Serra International (an organization for the encouragement of young people to enter priesthood and religious orders)
Chairman, Archbishops Charity Drive for Diocese-Fla.
Board of Trustees, Barry College, Miami

Honors: Master Knight of the Sovereign Military Order of Malta
Member, Knights of Columbus

Personal: Married.

US-Vatican Relations

The present relationship between the United States and the Vatican is conducted by a small temporary mission (headed by Henry Cabot Lodge) originally established on a personal basis by President Nixon in 1970. The United States does not maintain formal diplomatic relations with the Holy See and Lodge holds no diplomatic appointment or title.

History

The US Government has since 1797 maintained some form of contact with the Holy See. In the early years we had only consular ties. From 1848 to 1868 we had full diplomatic relations, and a mission headed by a Resident Minister. Since 1868, following the passage of an act of Congress which prohibited the appropriation of funds for "support of an American Legation at Rome", relations between the United States and the Vatican have been limited to temporary missions, although the United States never formally broke relations. The most important of the temporary missions was that of Myron C. Taylor from 1940 to 1950, who served as Roosevelt's and Truman's personal representative with the rank (but not title) of Ambassador.

President Truman's nomination of General Mark W. Clark in 1951 to be Ambassador to the State of Vatican City fizzled in the Senate, causing an acrimonious debate at the time. Not until President Nixon assumed office in 1968 was the matter again seriously studied. On June 5, 1970, President Nixon announced that he had asked Henry Cabot Lodge to visit the Vatican from time to time as his special envoy. A letter which Lodge then handcarried to the Pope has served ever since as the basis for his mission's existence.

At one time during World War II Myron Taylor's assistant resided in the Vatican with a title of Chargé d'affaires. The Vatican still continues to list the United States in the Papal Year Book amongst those countries with a mission accredited to the Holy See. The list is followed by a blank.

Vatican Representation in the United States

No official Vatican representative is accredited to the United States Government. However, the Holy See has been represented in Washington for many years by an

Apostolic Delegate who is charged with ecclesiastical duties in connection with relations between the Holy See and the American Catholic Church.

The Lodge Mission in Rome

Lodge's operation consists of one permanent mid-grade Foreign Service Officer, a secretary, a rented two-room office, and his own usually semi-annual visits to Rome. (He receives no salary himself.) The office has been physically separate from Embassy Rome since 1973. The Vatican deals only with missions established entirely separate and distinct from diplomatic missions accredited to the Italian Republic.

The present arrangement with an important state having worldwide influence and interests has on numerous occasions proven helpful to US interests, including those related to human rights.

International Status of the Vatican

The state of the Vatican City is recognized by a large number of countries, more than 85 of which maintain diplomatic missions. While the United States does not have formal diplomatic relations with the Holy See, we do recognize it as a sovereign state for a number of purposes. For example, we recognize the validity of its passports and consider its officials as officers of a foreign government.

During World War II the United States treated the Vatican City as an independent neutral state entitled to the rights of a neutral.

It is the Vatican's present policy when establishing full diplomatic relations to insist on accreditation to the Holy See, anentity which combines the Pope's temporal authority over the Vatican City state with his role as leader of the world Catholic Church.

SUMMARY

Dave Walters' credentials for the position of U. S. Special Envoy to the Vatican are well attested to. He would do a good job representing you. The appointment would please Governor Askew, as well as Senators Stone, Chiles, Humphrey and Jackson. The present incumbent, Henry Cabot Lodge, is a Republican appointed by President Nixon. You should appoint your own representative rather than continue Lodge in this post.

I recommend you have Dave in for a brief visit and get his views on Vatican situation, and based on the result of that meeting, that you appoint him to be U. S. Special Envoy to the Vatican.

Approve_____ Disapprove_____

If Approve: set up date_____

appointment not necessary, proceed with papers_____

What do the Senate Catholic leaders & T.P. O'Neill think?

J

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for Preservation Purposes

THE WHITE HOUSE
WASHINGTON

July 1, 1977

Robert Lipshutz -

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

Rick Hutcheson

cc: Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

Re: Non-Career Executive Assignment

THE WHITE HOUSE
WASHINGTON

Mr. President:

Jordan, King, Watson and Eizenstat concur. Watson and Eizenstat both see the Lipshutz suggestion as an acceptable temporary or compromise solution. Watson says that several Cabinet officers favor removing CSC's authority (under an existing Executive Order) to review the qualifications of non-career executive appointees, and suggests that you leave open the possibility of additional action in the future, should the Lipshutz letter not result in prompt and effective action. Stu points out that legislation is also a possible long-term solution.

Rick

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

June 27, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ
MARGARET McKENNA

SUBJECT: Non-Career Executive Assignments

As you know, several Cabinet Secretaries have expressed concern over the process by which the Civil Service Commission approves individuals for non-career super grade positions. GS 16's, 17's and 18's and NEA positions are political appointees outside the traditional Civil Service structure. Several of the agencies involved -- OMB and the Civil Service Commission -- have agreed that a presumption could be created in favor of the Cabinet Secretaries' certification that the person is in fact qualified for the position according to education and experience. If the Civil Service Commission was not satisfied with the certificate on its face, they would then always have the opportunity to go beyond the certificate and in fact look at various qualifications and experience of the individual.

Alan Campbell has suggested that a letter from our office would be helpful to him prior to his issuing regulations concerning this matter. The attached letter has been reviewed by the Department of Justice and found acceptable.

Approve ✓

Disapprove _____

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for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

June 24, 1977

Dear Mr. Chairman:

This office has been exploring with you for some weeks possible revisions in the procedures under which the Civil Service Commission reviews the qualifications of proposed nominees for noncareer executive assignments at grades GS-16, 17 and 18. We have agreed that it is appropriate to give great weight to the determinations of Cabinet members with respect to the sufficiency of the qualifications of their nominees. The Cabinet members and heads of agencies are giving careful consideration to the qualifications of persons for these positions and devising new and flexible means to give appropriate weight to the credentials of persons who have not followed traditional career patterns.

It is important to the Administration that changes in the noncareer appointment system be accomplished quickly so that our efforts to recruit women, minorities and handicapped persons will not be adversely affected. I am, therefore, requesting that you devise procedures under which an agency could elect to have the Commission review N.E.A. appointments on the basis of a certification provided by the head of the agency. The certification would:

1) summarize the nominee's qualifications as to education, relevant prior work or professional experience, citizenship, relevant language capability and any other relevant factors;

2) certify that, in the judgment of the head of the department or agency, the nominee has the qualifications to perform successfully the noncareer executive assignment; and

3) request that the Civil Service Commission approve the qualifications of the nominee, pursuant to 5 U.S.C. 3324, on the basis of the certification.

It is expected that the Commission would normally evaluate N.E.A. assignments on the basis of the certifications, although your agency would of course retain the right to look behind them.

The procedures you devise should be communicated to the heads of departments and agencies with a suggested certification form for their use.

I am confident that this action by the Commission will resolve the recurring problems with nominations for non-career executive assignments.

Sincerely,

ROBERT J. LIPSHUTZ
Counsel to the President

Mr. Alan Campbell
Chairman
Civil Service Commission
Washington, D. C. 20415

THE WHITE HOUSE

WASHINGTON

June 27, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT LIPSHUTZ RL&
MARGARET McKENNA MMK

SUBJECT: Non-Career Executive Assignments

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Alan Campbell has suggested that a letter from our office would be helpful to him prior to his issuing regulations concerning this matter. The attached letter has been reviewed by the Department of Justice and found acceptable.

Approve _____

Disapprove _____

THE WHITE HOUSE

WASHINGTON

Date: June 28, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ **Your comments**

Other:

STAFF RESPONSE:

____ **I concur.** ____ **No comment.**

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE

WASHINGTON

June 24, 1977

Dear Mr. Chairman:

This office has been exploring with you for some weeks possible revisions in the procedures under which the Civil Service Commission reviews the qualifications of proposed nominees for noncareer executive assignments at grades GS-16, 17 and 18. We have agreed that it is appropriate to give great weight to the determinations of Cabinet members with respect to the sufficiency of the qualifications of their nominees. The Cabinet members and heads of agencies are giving careful consideration to the qualifications of persons for these positions and devising new and flexible means to give appropriate weight to the credentials of persons who have not followed traditional career patterns.

It is important to the Administration that changes in the noncareer appointment system be accomplished quickly so that our efforts to recruit women, minorities and handicapped persons will not be adversely affected. I am, therefore, requesting that you devise procedures under which an agency could elect to have the Commission review N.E.A. appointments on the basis of a certification provided by the head of the agency. The certification would:

1) summarize the nominee's qualifications as to education, relevant prior work or professional experience, citizenship, relevant language capability and any other relevant factors;

2) certify that, in the judgment of the head of the department or agency, the nominee has the qualifications to perform successfully the noncareer executive assignment; and

3) request that the Civil Service Commission approve the qualifications of the nominee, pursuant to 5 U.S.C. 3324, on the basis of the certification.

It is expected that the Commission would normally evaluate N.E.A. assignments on the basis of the certifications, although your agency would of course retain the right to look behind them.

The procedures you devise should be communicated to the heads of departments and agencies with a suggested certification form for their use.

I am confident that this action by the Commission will resolve the recurring problems with nominations for non-career executive assignments.

Sincerely,

ROBERT J. LIPSHUTZ
Counsel to the President

Mr. Alan Campbell
Chairman
Civil Service Commission
Washington, D. C. 20415

WASHINGTON

Date: June 28, 1977 MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

1977 JUN 28 PM 4 53

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

STAFF RESPONSE:

____ I concur. ____ No comment.

Please note other comments below:

As you may know, several Cabinet secretaries - DoD, HEW, HUD, Interior - support changing the Executive Order which gives the Civil Service Commission the responsibility of determining whether proposed candidates are "qualified" for GS-16 and above. This suggestion by Lipshutz is a compromise -- to permit the Civil Service Commission to take steps short of changing the Executive Order. We suggest that you endorse the proposal, but

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

hold open the possibility that you
may decide to change the
Executive Order unless prompt
and effective action is taken.

Watson/Frank

THE WHITE HOUSE

WASHINGTON

June 30, 1977

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT
STEVE SIMMONS

SUBJECT: Lipshutz-McKenna Memo on
Non-Career Executive Assignments

We concur with the recommendation of Robert Lipshutz and Margaret McKenna to create a new approval process for supergrade political appointees, and suggest you approve the Lipshutz letter to Chairman Campbell.

The long range solution to approving these political appointees for supergrade non-career executive assignments is legislative. At the present time approximately 1500 Schedule C positions which are at the GS-15 or below level are political appointments made by department or agency heads without any CSC review or approval. It is hard to distinguish why the approximately 600 supergrade non-career executive assignment positions which are also political appointments should be run through the CSC for approval. However, the only way to remove the CSC entirely from the approval process for non-career executive assignments is by legislation and this would take time. There is a need for immediate action, and the proposed certifying process in the Lipshutz-McKenna memorandum provides an acceptable temporary solution and should be approved.

We will shortly have to you memoranda prepared by Chairman Campbell pursuant to your request to me about what can be done about political appointees who have been moved into permanent GS levels.

THE WHITE HOUSE

WASHINGTON

369

Date: June 28, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

xc Carp Simmons

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

STAFF RESPONSE:

____ I concur. ____ No comment.

Please note other comments below:

THE WHITE HOUSE

WASHINGTON

Date: June 28, 1977 MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

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TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

STAFF RESPONSE:

__✓__ I concur. Jim Connell ___ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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THE WHITE HOUSE

WASHINGTON

Date: June 28, 1977 MEMORANDUM

FOR ACTION:

Midge Costanza
Stu Eizenstat
Hamilton Jordan
Jack Watson
Jim King

FOR INFORMATION:

The Vice President

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Lipshutz/McKenna's memo 6/27/77 re Non-Career Executive Assignments

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME: 2:00 PM

DAY: Thursday

DATE: June 30, 1977

ACTION REQUESTED:

__X__ Your comments

Other:

STAFF RESPONSE:

__✓__ I concur. ____ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.