9/29/78

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	~~Brzezinski to Pres. Carter, w/attachments 5 pp., re:ELF/SEAFARER missiles~~ Opened per RAC NLC-126-14-29-1-4, 6/27/13	9/29/78	A
~~Memo~~	~~Rafshoon to Pres. Carter, w/attachments 3 pp., re:Media Dinner invitations~~ Opened 8/9/13	~~9/28/78~~	~~A~~ C

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Presidential Handwriting File, 9/29/78 Box 104

RESTRICTION CODES

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(B) Closed by statute or by the agency which originated the document.
(C) Closed in accordance with restrictions contained in the donor's deed of gift.

THE WHITE HOUSE
WASHINGTON

9/29/78

Jerry Rafshoon

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

Rick Hutcheson

MEDIA DINNER

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

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

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

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

September 28, 1978

Jerry

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON

SUBJECT: MEDIA DINNER, OCTOBER 5, 1978

The following are recommendations for the media dinner scheduled for Thursday, October 5, 1978:

Max Lerner (recommended by Jody and Zbig)
Liz Drew (has been invited before but unable to accept; requested another opportunity)
* James Kilpatrick (I am not recommending him; however, he does logically fit into the Agronsky group that we have been inviting)
* George Will (was invited with Newsweek but was out of town; requested another opportunity)
Richard Strout
Malcolm Forbes (was invited last week but unable to attend; requested another opportunity)
Marquis Childs
Roscoe Drummond

_____Approve

Other suggestions:

* They are hopelessly biased - no need to see them
JC

cc: Mrs. Carter
Gretchen Poston

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THE PRESIDENT'S SCHEDULE

Friday - September 29, 1978

8:00	Dr. Zbigniew Brzezinski - The Oval Office.
8:45	Mr. Frank Moore - The Oval Office.
9:00 (2 min.)	Congresswoman Helen S. Meyner. (Mr. Frank Moore) - The Oval Office.
10:00 (2 hrs.)	Department of Defense Budget Review. (Dr. Zbigniew Brzezinski) - The Cabinet Room.
1:15 (30 min.)	Meeting with Editors. (Mr. Jody Powell). The Cabinet Room.
2:15 (15 min.)	Drop-By Rural Constituency Group Energy Briefing. (Ms. Anne Wexler)- The East Room.

THE WHITE HOUSE

WASHINGTON

9/29/78

Jack Watson
Louis Martin

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been sent to Stripping for mailing.

Rick Hutcheson

cc: Stripping

THE WHITE HOUSE

WASHINGTON

September 27, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON Jack

I thought you would want to send the attached letter to Governor Byrne.

THE WHITE HOUSE

WASHINGTON

To Governor Brendan Byrne

The State of New Jersey can take pride in being the first to ratify the Constitutional Amendment giving the citizens of the District of Columbia full voting representation in Congress.

This prompt action on the part of New Jersey is an important step in moving towards final passage of this long overdue amendment.

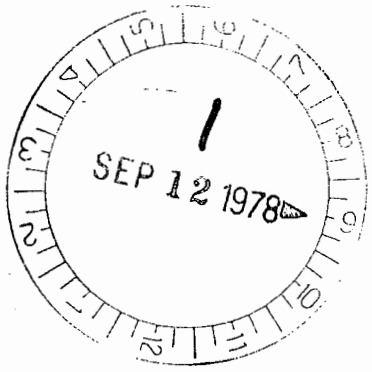
I hope other states will follow your lead and recognize that fundamental justice requires all our citizens to have a voice in Congress through their own elected representatives.

Sincerely,

Jimmy Carter

The Honorable Brendan T. Byrne
Governor of New Jersey
Trenton, New Jersey 08625

STATE OF NEW JERSEY
OFFICE OF THE GOVERNOR
TRENTON



BRENDAN T. BYRNE
GOVERNOR

September 11, 1978

The Honorable Jimmy Carter
The President
The White House
Washington, D. C. 20500

Dear Mr. President:

It is my pleasure to inform you that New Jersey today became the first state to ratify the amendment to the Constitution which will give full representation in Congress to the District of Columbia.

I am hopeful that today's ratification will be followed by similar action around the nation so that an old inequity is righted and the 700,000 residents of the District will receive full voting rights.

Sincerely,

Brendan Byrne

GOVERNOR

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

FOR THE PRESIDENT

FROM GRETCHEN POSTON

DATE: 28 September 1978

SUBJECT: BRIEFING/RECEPTION FOR BUSINESS LEADERS RE ENERGY
29 September 1978

2:00 P.M. Guests arrive Southwest Gate and proceed to East Room for seating and briefing.

(Briefing materials in chairs.)
(Platform guests: Secretary of Agriculture, Secretary of Energy, Stuart Eizenstat).

2:15 P.M. The PRESIDENT arrives State floor, and proceeds to East Room - pause at door for announcement - and continues to podium on east wall.

The PRESIDENT'S remarks.

(Press coverage of remarks.)

2:30 P.M. The PRESIDENT departs State floor.

3:00 P.M. Briefing concludes. Guests depart East Room to State Dining Room for refreshments.

4:00 P.M. All guests depart Residence.

NOTE: 275 guests expected.
Briefing papers arriving separately from Anne Wexler.

THE WHITE HOUSE
WASHINGTON

September 29, 1978

Bob Strauss
Stu Eizenstat
Frank Moore
Zbig Brzezinski
Jim McIntyre

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

Rick Hutcheson

cc: Bob Linder

Public Release will not be until Monday

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

29 September 1978

TO: MADELINE ALBRIGHT

FROM: RICK HUTCHESON

SUBJECT: Clothespins Decision

I have asked STR to clear the public release of the President's decision on this case with you on Monday, 2 October 1978.

John Donaldson, 395-4697, is the official doing the press release. Any questions, contact John Greenwald at 395-3432.

Thanks.

LAST DAY FOR ACTION: 2 October 1978

THE SPECIAL REPRESENTATIVE FOR
TRADE NEGOTIATIONS
WASHINGTON

MEMORANDUM FOR THE PRESIDENT 28 SEP 1978

FROM: Robert S. Strauss

SUBJECT: Market Disruption Case on Clothespins from the People's Republic of China - Summary

On August 3, 1978 the United States International Trade Commission (USITC) unanimously found that market disruption exists with respect to imports of clothespins from the People's Republic of China (PRC) and recommended that you proclaim relief to the domestic industry in the form of a quota on imports from the PRC.

This case is the first affirmative determination under Section 406 of the Trade Act - a provision which provides for import relief to a domestic industry in the event that increased imports from a Communist country cause market disruption. Unlike regular escape clause actions, relief granted in a Section 406 market disruption case must be selective (i.e. only those imports from the Communist country found to cause the market disruption may be restricted).

By October 2, 1978 you must decide and announce whether import relief for the domestic industry is in the national economic interest and, if so, what form the relief will take. The agencies* which have reviewed the issue recommend without dissent that you deny relief in this case on grounds of national economic interest.

The relative strength of the PRC in the U.S. market for clothespins and the competitive capabilities of other foreign suppliers raise considerable doubt that any import relief proclaimed could effectively lower the current overall level of clothespin imports. While imports from the PRC have become an increasingly important component of U.S. consumption, imports from other sources still accounted for thirty percent of U.S. consumption in 1977. In addition, foreign suppliers are able to provide clothespins at prices significantly below the prices charged by U.S. producers. The real beneficiaries of any import relief directed solely against the PRC would be other foreign producers, not the U.S. industry.

*STR, State, Treasury, Commerce, Labor, Agriculture, Justice, CEA, NSC

On the employment side, the average number of workers engaged solely in the manufacture of clothespins declined from 429 in 1973 to 370 in 1975 (the PRC first entered the U.S. market in 1975). However, this downward trend was reversed in 1976 and by March, 1978 the average number of employees had increased to 421.

In addition, the State Department believes there are sufficient foreign policy grounds to deny import relief. State points out the importance of avoiding where possible the introducion of negative elements into our relationship with the PRC. This is a particular concern now, when we are pressing the PRC hard in other areas, notably textiles (which have been the PRC's leading export to the United States).

Finally, in the course of its investigation of this case, the USITC initiated on its own motion an investigation under Section 201 of the Trade Act to determine whether clothespins from all foreign suppliers are causing injury to the domestic clothespin industry. A determination on this case by the USITC is due by November 21.

Congressional interest in this case has been limited to the delegation from Maine. (The US industry consists of five firms; three with plants in Maine and two with plants in Vermont). Senators Muskie and Hathaway and Representative Cohen have written in strong support of the domestic industry.

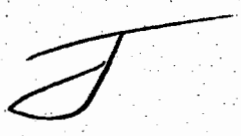
I recommend that you approve the interagency recommendation that import relief is not in the national economic interest.

Approve ✓ (relief denied)

Disapprove _____ (relief granted)

Let's discuss _____

Attached are (1) a fuller background memorandum, (2) drafts of the Federal Register notice and documentation to be transmitted to the Congress and (3) the interagency report on this case.



THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR

THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

SUBJECT: Determination under Sections 406 and 202 of the Trade Act; Clothespins from the People's Republic of China

Pursuant to sections 406(b) and 202 of the Trade Act of 1974 (P.L. 93-618), I have determined the action I will take with respect to the report of the United States International Trade Commission (USITC), transmitted to me on August 3, 1978, concerning the results of its investigation of a petition for import relief filed by the Clothespin and Veneer Products Association on behalf of the domestic industry producing clothespins provided for in items 790.05, 790.07 and 790.08 of the Tariff Schedules of the United States.

After considering all relevant aspects of the case, including those considerations set forth in section 202(c) of the Trade Act of 1974, I have determined that provision of import relief is not in the national economic interest.

The imposition of import relief would not be an effective means to promote adjustment in the domestic industry. While imports from the PRC have become an increasingly important component of U.S. imports, other sources still accounted for seventy-three percent of U.S. imports in 1977. Foreign sources, other than the PRC, are able to supply clothespins to the U.S. market at prices significantly below the prices charged by U.S. producers. Moreover, existing foreign capacity would not be a limitation on foreign producer ability to increase shipments to the U.S. Thus, third country suppliers would likely fill any excess U.S. demand resulting from a limitation of any kind on imports of clothespins from the PRC.

In addition, it should be noted that the USITC has instituted an investigation under section 201 of the Trade Act of 1974 to determine whether clothespins from all foreign suppliers are being imported into the United States in such quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry. A determination on this case by the USITC is due by November 21, 1978. The import problems facing the domestic clothespin industry will be considered further within the context of this pending escape clause case.

This determination is to be published in the Federal Register.

Jimmy Carter

TO THE CONGRESS OF THE UNITED STATES:

In accordance with section 203(b)(2) of the Trade Act of 1974, enclosed is a report to the Congress setting forth my determination that import relief for the U.S. clothespin industry is not in the national economic interest, and explaining the reasons for my decision.

Jimmy Carter

THE WHITE HOUSE,

Import Relief Action

Clothespins from the People's Republic of China (PRC)

As required under sections 406(b) and 203(b)(2) of the Trade Act of 1974, I am transmitting this report to Congress setting forth the action I will take with respect to clothespins covered by the affirmative finding on August 3, 1978, of the U.S. International Trade Commission (USITC) under section 406(a)(3) of the Trade Act. As my action differs from that recommended by the USITC, I have included the reasons for my decision.

After considering all relevant aspects of the case, including those considerations set forth in section 202(c) of the Trade Act of 1974, I have determined that import relief for the domestic clothespin industry would not be in the national economic interest for the following reasons:

1. The imposition of import relief would not be an effective means to promote adjustment in the industry. While imports from the PRC have become an increasingly important component of U.S. imports, other foreign sources still accounted for seventy-three percent of all U.S. imports in 1977. Foreign sources, other than the PRC, are able to supply clothespins to the U.S. market at prices significantly below the prices

charged by U.S. producers. Moreover, existing foreign capacity would not be a limitation on foreign producer ability to increase shipments to the U.S. Thus, third country suppliers would likely fill any excess U.S. demand resulting from a limitation of any kind on imports of clothespins from the PRC.

2. It should be noted that the USITC has instituted an investigation under section 201 of the Trade Act of 1974 to determine whether clothespins from all foreign suppliers are being imported into the United States in such quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry. A determination on this case by the USITC is due by November 21, 1978. The import problems facing the domestic clothespin industry will be considered further within the context of this pending escape clause case.

THE WHITE HOUSE
WASHINGTON

9/29/78

Stu Eizenstat

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

Rick Hutcheson

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ok
F

THE WHITE HOUSE

WASHINGTON

September 29, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT Stu
D.K.

SUBJECT: Countervailing Duties Legislation

Bob Strauss, who is now in California, has been informed of your note on his countervailing duties memo. He would like you to know the following facts:

-- He cannot give any assurance that the legislation will pass this year, but as much groundwork has been laid as is possible. As a result, he thinks the chances for passage are reasonably good.

-- Over the past two weeks, he has cleared the proposed legislation in the House with the Speaker, Jim Wright, Al Ullman, Charlie Vanik and the Republican leadership on the trade subcommittee; and in the Senate he has cleared the proposed legislation with Senators Byrd, Ribicoff, Long and the Republican leadership in the trade subcommittees.

-- In addition, Bob has met recently with 15 private sector leaders, many of whom he believes will actively assist in the effort to pass the legislation.

-- Bob's principal concern is that the legislation will be attached to the sugar bill, which Senator Long is considering doing. Bob would not recommend that you sign the trade legislation if it is attached to an unacceptable sugar bill.

Unless you indicate otherwise, Bob will proceed with the submission of the legislation.

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done
J

THE WHITE HOUSE

WASHINGTON

September 30, 1978

Mr. President:

Attached are four routine appropriations bills. Although we just received them this weekend, we are asking for your immediate action in order to avoid disruption in federal activities due to the end of the fiscal year.

S. J. Res. 165
H. J. Res. 1140
H. R. 12936
S. 2391

Stu

Stuart E. Eizenstat

NOTE: 3 of the 4 bills did not arrive from Congress until 6:30 PM this evening.

Rick

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2:15 PM

TALKING POINTS

- Our Nation has never had a national energy policy. After 14 months of debate in the Congress, we are on the verge of finally getting a sound energy program enacted. It will be fair to energy consumers and energy producers. It will not benefit any individual or group above another. Our Nation cannot afford to let Congress adjourn on October 14 without the passage of an energy bill.

- The key to getting a sound and comprehensive energy bill is the passage of the compromise natural gas report. The Senate approved that report on Tuesday by a vote of 57 to 42. We achieved that victory in the Senate only because of the help of many of you. I know that many of you were active in the effort to convince Senators that the Nation needed natural gas legislation in that this legislation was fair and beneficial to agricultural and food interests.

- There should be no doubt that passage of the natural gas bill is in the Nation's interest:

  o The current system of gas pricing is outmoded and archaic.

  o This bill will make additional supplies available in the interstate market and prices below that of alternate fuels.

  o The bill will make construction of the Alaskan gas line possible.

  o The bill will result in savings of approximately 1.4 million barrels per day of imported oil by 1985.

- The bill is also very beneficial for the Nation's farmers and related agricultural uses.

  o Agricultural uses of gas will have a curtailment priority higher than all other natural gas uses except for homes, hospitals, and schools; as a result, the curtailment that agricultural production and food processing industries have suffered in recent years is much less likely to occur under this bill.

- o The bill permanently exempts from the incremental price provisions any agricultural uses of natural gas when substitutes are not reasonably available.

- o As a result of this bill, farmers and food processers will have reliable and economical natural gas supplies. The bill will be an important factor in maintaining the position of the agricultural industry as the Nation's leading exporter.

- o I can assure each of you that the agricultural provisions in this bill will be implemented fully. My administration fought for those provisions and we intend to make sure that they are implemented faithfully and fairly. You should never doubt our commitment about that.

- Passage of the natural gas bill will do more than correct the problems with the current natural gas system of pricing and supplies. Its effects go far beyond the natural gas market:

  - o By enabling us to reduce foreign oil, we can begin the needed reduction in our trade deficit.

  - o We will be taking a major step to help keep the dollar from attack on the international exchange markets.

  - o We will be taking another step to help fight the very difficult battle against inflation.

- The enactment of a national energy plan has already become a test of our will as a country. The world is watching to see if we can meet this test. I am convinced, with your support, we can pass the natural gas bill and the entire energy plan.

- But we need your support. We need you to contact your Representatives in the House to let them know of your strong support for the gas bill. The House will be voting on the gas bill shortly. We do not have a good deal of time available to us. But working together we can pass this bill and I urge you to help us in the effort.

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MATTHEW 25 -- VERSUS 40 THROUGH 46

40 AND THE KING SHALL ANSWER AND SAY UNTO THEM, VERILY I SAY UNTO YOU, INASMUCH AS YE HAVE DONE IT UNTO ONE OF THE LEAST OF THESE MY BRETHREN, YE HAVE DONE IT UNTO ME.

41 THEN SHALL HE SAY ALSO UNTO THEM ON THE LEFT HAND, DEPART FROM ME, YE CURSED, INTO EVERLASTING FIRE, PREPARED FOR THE DEVIL AND HIS ANGELS:

42 FOR I WAS AN HUNGRED, AND YE GAVE ME NO MEAT: I WAS THIRSTY, AND YE GAVE ME NO DRINK:

(--OVER--)(43 I WAS A STRANGER,

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43 I WAS A STRANGER, AND YE TOOK ME NOT IN: NAKED, AND YE CLOTHED ME NOT: SICK, AND IN PRISON, AND YE VISITED ME NOT.

44 THEN SHALL THEY ALSO ANSWER HIM, SAYING, LORD, WHEN SAW WE THEE AN HUNGRED, OR ATHIRST, OR A STRANGER, OR NAKED, OR SICK, OR IN PRISON, AND DID NOT MINISTER UNTO THEE?

45 THEN SHALL HE ANSWER THEM, SAYING, VERILY I SAY UNTO YOU, INASMUCH AS YE DID IT NOT TO ONE OF THE LEAST OF THESE, YE DID IT NOT TO ME.

46 AND THESE SHALL GO AWAY INTO EVERLASTING PUNISHMENT: BUT THE RIGHTEOUS INTO LIFE ETERNAL.

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BLACK CAUCUS 9/30/78

CH PARREN MITCHELL VC SHIRLEY CHISHOLM

BL CAUCUS = REL LEADERS = L & G = B & S

BUTTON - JOHN CONYERS TRICKLE HH-HORSE/SPARROWS

BLACK CHURCHES = BODY. SPIRIT MLKjr.

RACISM - HUNGER. POVERTY - WAR

TEXT BLACK CAUCUS - TRADITION ROSA PARKS

20 MOS = TOGETHER

=

UNEMP = HI/DEPRESSION = ERNEST GREEN =

+6½ = ↓ 25% = YOUTH EMP #6B = CETA 3X

JOB CORPS 2X = FOOD STAMPS =

EVERY MAN/WOMAN = H/H = THIS YEAR

VERILY I SAY UNTO YOU = INASMUCH AS YE DID IT NOT TO ONE OF THE LEAST OF THESE, YE DID IT NOT TO ME

CIVIL RIGHTS LAWS UNENFORCED - GOVT CONTRACTS = BANK DEPOSITS = WOMEN

BAKKE CHALLENGE - RACE, AFFIRM ACTION

DREW DAYS. EL H. NORTON

ERA = EXTEND = THIS ~~YEAR~~ NEXT WEEK

---

8 YEARS NEGLECT HUMAN SERVICES

ED - NOT FOCUSSED ON POOR

↑ PAT HARRIS - MARY BERRY

CENTRAL CITIES. HOUSING

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INFLATION - WASTE - DEFICITS - PRIORITIES
BILL BECKHAM - BUNNY MITCHELL
LOUIS MARTIN

V'NAM ⇒ WAR - BLACKS / POOR
PEACE - VETERANS
PEACE CORPS - CLIFFORD ALEXANDER SEC/ARMY CAROLYN PAYTON

FOREIGN POLICY = UN - AFRICA
RACIST REGIMES = SEC ST / NIGERIA
DON MCHENRY = TERRY TODMAN =
ANDY YOUNG

~~WALTER FAUNTROY - DC VOTING RTS~~
CLARENCE MITCHELL = 101
BARBARA JORDAN = DEMO CONV
BOB NIX = CIVIC SERVICE
YVONNE BURKE = ATTY GEN

MLK JR - MONT BUS BOYCOT
"MY FEET ARE TIRED, BUT MY SOUL IS RESTED"

TOO IMPATIENT?
TOO AMBITIOUS?
NOT SATISFIED? BLACK YOUTH =
CITIES = ILLITERACY = NUKES = RACISM =
GOV'T JOBS = WOMEN RTS = EQUALITY STILL A DREAM
WALK TOGETHER

THE WHITE HOUSE
WASHINGTON

9/29/78

Zbig Brzezinski

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

Rick Hutcheson

cc: Stu Eizenstat
Frank Moore
Jack Watson

NOTE: LETTERS WERE NOT SIGNED

~~CONFIDENTIAL~~

DECLASSIFIED
Per; Rac Project
ESDN; NLC- 126-14-29-1-4
BY LES NARA, DATE 6/24/13

MEMORANDUM

~~CONFIDENTIAL~~

THE WHITE HOUSE

WASHINGTON

5551

~~CONFIDENTIAL~~

I called Stennis - He'll help J

September 29, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI ZB.

SUBJECT: ELF/SEAFARER

Harold Brown has sent you a memo requesting your support in securing from the Congress the $20 million in research and development funds for the ELF communications system that were asked for in our original budget. He asks that you sign the enclosed letters to Stennis, Mahon, and Magnuson in support of these funds and encloses letters written to that purpose.

Your domestic advisers (Eizenstat, McIntyre, Watson and Moore) believe that it would be a mistake for you to sign these letters. They have expressed the following concerns:

1. The issue continues to be politically sensitive and it would be inappropriate to raise it before the election.

2. It is likely that we will not succeed in getting the funds even with a Presidential letter. It is unnecessary for you to put yourself on the line.

3. There is still a residue of ill-feeling left in Congress over the DoD veto.

4. It seems unPresidential and could be construed as over-kill to have a letter on one $20 million item in a bill appropriating billions. The Navy could reprogram once you do certify the site.

Despite the domestic political problems which cannot be discounted, I agree with Harold that the system is extremely important for the preservation of our strategic deterrent. Reprogramming funds would cause unnecessary delays.

The Defense Appropriation Bill is scheduled to be marked-up today; therefore, an immediate decision is required.

RECOMMENDATION

That you sign the letters.

DECLASSIFIED
Per: Rac Project
ESDN: NLC- 12C-14-29-1-4
BY LG NARA, DATE 6/29/13

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

September 18, 1978

MEMORANDUM FOR THE PRESIDENT

We have spoken on several occasions about the importance of communication with our ballistic-missile submarines. In order for an austere program (ELF) to go forward, we need for Fiscal Year 1979 the $20 million of research and development funds which were (and will be) authorized in the Defense authorization bill, but which the House Defense appropriations bill did not include.

These funds are for research and development without regard to a site. They do not set limits to a future decision in that regard.

I believe this item to be of such importance that I am requesting that you sign the enclosed letters to Chairmen Stennis, Magnuson, and Mahon.

Harold Brown

Enclosures

THE WHITE HOUSE

WASHINGTON

To Chairman Stennis

I request your support for the $20 million of research and development funds for ELF communications included in the Defense Authorization Bill.

Discussions regarding the old Project Seafarer almost always were related to the site for the ELF antenna; no one has ever questioned the national need to communicate continuously with our ballistic-missile submarines without exposing them to detection from outside the water. The only technology in sight which can achieve that goal is ELF.

Increased capabilities of Soviet missiles have made our sea-based deterrent even more important than it was before. What was a national need is now a national imperative.

As the record shows, I had reservations about installing the large Seafarer ELF antenna in the Upper Peninsula of Michigan. Therefore in February I directed planning for a more austere system that could still meet this extremely important operational requirement. The funds requested will be used to define this new, very austere system independently of any site location, and to develop transmitter and receiver components which will be required regardless of ultimate site location. However, none of these funds will be expended until all of the provisions of the "Department of Defense Appropriation Authorization Act, 1978" have been complied with including site selection. I shall review personally the procedure used to choose the site for the smaller system, and shall advise the Congress of my decision.

I consider this matter of vital importance for the preservation of our strategic deterrent, particularly in view of the major overall defense efforts the Soviets are making. I am writing to you, to Chairman Magnuson and to Chairman Mahon to communicate my very deep concern.

I am confident that, with your support, these essential research and development funds will be preserved.

Sincerely,

The Honorable John C. Stennis
Chairman
Committee on Armed Services
United States Senate
Washington, D. C. 20510

Copy to:
Chairman Price

THE WHITE HOUSE
WASHINGTON

September 29, 1978

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

Rick Hutcheson

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THOMAS E. BRYANT, M.D.

Jimmy

cc: Ham, Stu
Again - We need to
move on this (I
prefer one person)
J

September 25, 1978

Mrs. Rosalynn Carter
The White House
Washington, D.C. 20500

Dear Rosalynn:

I enclose a copy of a memo to Stu Eizenstat which I wanted you to see. I have also sent a copy to Hamilton.

Great things for a lot of troubled people can come out of your interest in mental health, but we've got to help them along, so please keep on top of this.

Sincerely,

Tom

Thomas E. Bryant, M.D.

Enclosure:
As stated

THOMAS E. BRYANT, M.D.

September 25, 1978

M E M O R A N D U M

Mr. Stuart Eizenstat
Assistant to the President

Subject: White House Staff Responsibilities regarding Drugs, Mental Health and International Health

Following my conversations with Mrs. Carter and Hamilton, I wanted to set down for your consideration some thoughts regarding the White House staff's responsibilities in the areas of drug policies, mental health and international health.

First, as I indicated in our earlier conversation as well as to Mrs. Carter and Hamilton, I would separate these responsibilities into two categories: 1) drug policy and 2) mental and international health. They were together largely because of Peter Bourne's unique role and capabilities. There is no compelling logic to keep them together whereas there are substantial reasons for separating these functions.

To the extent that medical advice or oversight is needed vis-a-vis drug policies (and it will be), that could be acquired by consultation with knowledgeable people within and without government. There is a unique opportunity for the Administration to make a lasting contribution in mental health and that opportunity should not be lost or confused with the necessity of day-to-day decisions regarding drug policies.

1. So far as drug policies are concerned, there are several responsibilities that will in all probability have to continue to be exercised by the White House staff:

A. Keeping the President informed on developments, trends and major problems.

B. Coordinating to the degree possible the various international and domestic activities which take place at a departmental and agency level.

By the very nature of things, these agencies and departments tend to go off in multiple directions. There are long standing rivalries and a history of distrust and suspicion, particularly between law enforcement and treatment agencies. Leadership on the part of the White House staff is of critical importance to keep a united, coordinated effort moving on the right track.

C. Relations with Congress.

Not only do certain Congressional committees have legislative oversight responsibilities for drug laws, but in the House there is a Select Committee on Narcotic Abuse and Control, chaired by Congressman Lester Wolff. Dealing with these committees, particularly the latter, requires sensitivity and astuteness, the needs for which are compounded by the desire by many on the Hill to seek self-serving publicity for drug issues and for themselves.

D. International Drug-related Activities.

While most of these responsibilities can and should be undertaken by the Department of State, there are inevitably occasions when the President and the White House staff must get involved. In many countries, drug-related problems are of such magnitude that they command the personal attention of chiefs of state. These individuals will from time to time desire to discuss these matters with the President, as for example the President's conversation in Germany with Chancellor Schmidt.

E. Public Leadership and Education Activities.

Drug abuse - particularly the crime associated with it - always ranks high on surveys of public concerns. The public will look to any President for leadership in how to cope with their concerns, and they will, I think, look to this President even more because he has previously publicized some of his thoughts, e.g., decriminalization for the use of small amounts of marijuana.

Psychoactive drug use and misuse in contemporary society are vexing, frustrating problems, ones for which governments have few solutions because the problems are so enmeshed within a larger social dynamic. At best, good governments cope, constantly walking a thin line between what some regard as repressive measures and individual freedom and choice. The one clear lesson of history in this regard is simply to try to remain calm and to avoid overdoses of emotional fervor. The President's public leadership role in achieving this is indispensable.

In order for the President and his staff to perform these functions well, I believe it important to replace Peter with someone of intelligence and sensitivity. Such a person will be perceived as the President's drug advisor and spokesman, regardless of title or organizational position on the staff.

Since I do not think anyone currently on Peter's former drug staff can do these things well over the long run, I think you will have to recruit someone new. (Charles O'Keefe, in my judgment, is the best person currently on the staff to keep things steady in the interim. He is cautious and sensitive to the politics of the situation.) I am trying to identify some individuals you might consider as a senior staff drug advisor. That is difficult because the drug field has produced insufficient numbers of really sound people, particularly ones with credibility in both treatment and law enforcement.

2. Regarding mental health, Peter's role was one of increasing importance following the report of the President's Commission on Mental Health. He had set a time schedule with HEW, etc. for analyzing the Commission recommendations and for developing a strategy for implementation. That leadership function is no longer being performed and it is needed.

Following his receipt of the Report, Secretary Califano created a department-wide Task Force to develop a plan for implementing the HEW-related recommendations of the Report. That Task Force has focused most of its attention on developing a new Mental Health Act which embodies many of the major recommendations of the Commission.

The relevant Congressional committees, as well as those individuals and organizations active in the mental health field, are anxiously waiting to see what the Administration will bring forth as a result of the highly publicized activities of the Commission and Mrs. Carter. I think that the introduction and passage of such a new Mental Health Act can be a major contribution of the Administration, one for which President and Mrs. Carter can have justifiable personal pride.

As a consequence, I think it of utmost importance that someone be recruited specifically to the White House staff to head up these efforts.

As I have explained to Mrs. Carter and to Hamilton, I think I can help more from the outside than from the inside, and we need both kinds of assistance.

In order to get consensus for the Report, we built a working coalition of the disparate factions interested in and working in the mental health field. We will have to keep that coalition together to get the recommendations implemented. For better or worse, I am in a relatively unique position in that regard. Given the time constraints we face - I think the new Act will have its best chance in the first session of the new Congress - it seems more sensible for me to continue nurturing that coalition from my position as Chairman of the new Public Committee on Mental Health, the private sector follow-through organization we have created.

For the inside person, we need someone very special and I believe that person to be Dr. Donald Scherl, a young psychiatrist currently directing the Judge Baker Guidance Center at Harvard. Don was formerly UnderSecretary for Human Resources in Massachusetts, serving as Peter Goldmark's Deputy. He was enormously helpful to us on the Commission and he understands fully what we had in mind and how we got there. Of great importance, Mrs. Carter knows and respects him. He has for years been a protege of Surgeon General Julius Richmond and would work well with him and others at HEW.

He was recently considered as a candidate for Director of the National Institute of Mental Health and is currently under active consideration as Assistant Secretary for Health at DOD. I do not know whether he would agree to join the White House staff, but I urge you to consider asking him. (I do not think he would require a large support staff, but he would require some. The entire operation could be time-limited to a year or so.)

3. With regard to international health, Peter had developed a number of initiatives e.g., the World Hunger Commission and the Commission on the International Year of the Child. I think it is important to see these initiatives through and again, someone on the staff will have to have that responsibility. In particular, I think Mrs. Carter can play an increasingly larger role in matters of international health. There will be a number of opportunities for her to do that and someone must be on the alert for them.

I don't fully understand some of the steps taken in the wake of Peter's departure regarding international health, nor is there any need for me to, but I do urge you to designate someone to exercise White House responsibilities in International Health. I think Don Scherl would be of real assistance in that area also.

In sum, I think you need two new people, one to handle drugs and one to handle mental health and international health. Further, I recommend that you consider Dr. Donald Scherl for the latter position and that you immediately begin recruiting someone new for the drug policy position. If I can be of assistance, please let me know.

Thomas E. Bryant, M.D.

cc: Mrs. Carter
Hamilton Jordan

THE WHITE HOUSE
WASHINGTON

9/29/78

Frank Moore

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

Rick Hutcheson

CIVIL SERVICE CONFERENCE COMMITTEE

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

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

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

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THE WHITE HOUSE

WASHINGTON

September 28, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE FM.
LES FRANCIS
TERRY STRAUB

SUBJECT: Civil Service Conference Committee

The Civil Service Conference Committee today, after several negotiated compromises, resolved all remaining differences on the major questions including preponderance of evidence, Title VII, and EEOC. The EEOC issue was resolved between Ribicoff and Clay by establishing a 3-person tribunal to resolve conflicts between EEOC and MSPB on so-called "mixed cases." Regarding Title VII, the Conferees accepted most of the House version of the bill. This avoided what earlier promised to be a very explosive issue.

The Conference will meet for a final session next Tuesday to resolve final differences on technical matters that earlier were referred to staff for discussion (the "B" list) and for final ratification of the Conference report. This will leave us only a few days to take up the Conference report in both Houses. We will confirm action dates with the Leadership as soon as the report is filed.

Inasmuch as there has been no recent communication between you and Rep. Bill Ford on this legislation, we would recommend a telephone call to Ford thanking him for the crucial role he played in negotiating a compromise with Rep. Clay on Title VII.

Finally, we have attached a list of the basic compromise points on Title II and Title VII the Conference Committee adopted today. There may be a few minor language changes, but the thrust will be primarily what is displayed on the attached sheet.

I. Mr. Udall proposes that the Senate accept the House version of Title VII relating to labor-management relations with the following exceptions:

1. The standard of evidence in arbitration cases would be the same as in Title II.

2. The Senate provision on the exclusiveness for employee grievances arbitration procedures.

3. Standards for attorneys' fees under Title VII would be the same as attorneys' fees in MSPB cases under Title II. No attorneys' fees in ULP cases.

4. No judicial review of appropriate bargaining unit decisions made by the FLRA.

5. No direct access to courts on the question of whether an issue is arbitrable.

6. Limit statutory paid time for union negotiators to 40 hours, but permit negotiation on more paid time.

7. Authorize the President to exclude overseas agencies from Title VII for national security reasons.

8. The FLRA members can only be removed for cause but General Counsel can be removed at the President's will.

9. The Senate provision for direct judicial review of arbitration awards.

II. In Title II, guarantee an employee the right (which the employee may waive) to a hearing in an adverse action, and in performance cases, adopt as the standard of evidence "reliable, probative, and substantial evidence supporting directly the agency's action."

III. Allow attorneys' fees in all cases where the employee wins the case on the merits and the Board finds that attorneys' fees are warranted in the interest of justice and fairness or in any case where the Board finds that the agency's action was substantially without merit.

IV. The Special Counsel issue, allow the Special Counsel to issue a stay order in any case involving a reprisal for "whistle-blowing," a Hatch Act violation, or the exercise of a right of appeal, but not in other prohibited personnel practices cases. Allow the MSPB to issue a stay in any prohibited personnel practices case and to grant an extension of stay already granted by the Special Counsel.

THE WHITE HOUSE
WASHINGTON

9/29/78

Secretary Adams

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

Rick Hutcheson

cc: Stu Eizenstat
Jim McIntyre

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	FOR INFORMATION
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	SECRET
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ACTION

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of Adams memo only

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

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

THE WHITE HOUSE
WASHINGTON

9/28/78

Mr. President:

Eizenstat agrees with OMB and DOT that you should clear the preliminary freight rail study report (summary attached).

Stu adds: "The potential areas of disagreement between OMB and DOT outlined in the OMB memo are of course exactly those with the most political explosiveness -- track abandonment, labor productivity and corporate failures. The Administration may be forced to compromise with the Congress on some of these issues as they come up. The likely need for such compromises increases the importance of our regulatory reform program and our appointments to the ICC. A freer regulatory environment will go a long way toward upgrading railroad performance, encouraging mergers and generally rationalizing the industry."

Rick

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

SEP 25 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: W. BOWMAN CUTTER

SUBJECT: Clearance of DOT's Rail Freight Study

During OMB's Spring Preview you indicated that you wanted to approve the preliminary freight rail study report before it was transmitted to Congress by Secretary Adams. We have joined DOT in an attached memorandum recommending your clearance of the report. We believe the recommendations contained in the report are general enough to permit sufficient flexibility next year in deciding what legislative proposals the final report, due in February, will make.

Nevertheless, you should know that we believe that OMB and DOT will disagree on many of the specific recommendations for action the Federal Government should undertake with regard to the freight rail industry next year. We agree on the need for regulatory reform. Examples of potential disagreements include:

-- We believe that the most fundamental problem for the freight rail industry is the change in the freight markets. Bulk goods are becoming relatively less important in the economy, manufactured products are tending to rely on other forms of transportation, and the nation's industrial base is dispersing away from existing rail facilities. This indicates to us that restructuring the railroads should take the form of eliminating excess and uneconomic physical plant. DOT is more likely to deemphasize track abandonment and stress the rebuilding of rail track.

-- Next on our list of fundamental problems is that of labor productivity. Far reaching change is needed in this area before the railroads can be made economically viable. DOT is likely to stress the political sensitivity of taking on the rail unions on this issue.

-- Finally, we believe that any financial aid provided by the Federal Government to the freight rail industry should be strictly limited to economically viable segments of an agreed upon economic rail service network. DOT is expected to propose financial aid focused on financially strapped railroads as a whole, rather than on their economically viable parts.

We wanted you to be aware of these potential differences between OMB and DOT so that you were not misled by our joint decision to recommend clearance of this preliminary report. This will be a major issue in our legislative program for 1979. The public and congressional comments on the preliminary report will help the entire Administration focus more clearly on the key issues which will be presented for your decision early next year.

Attachment

THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

SEP 25 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: A Prospectus for Change in the Freight Railroad Industry

In response to a 1976 legislative requirement, the Department of Transportation has undertaken the most comprehensive examination of the rail freight industry in recent years. The Preliminary report--required to be sent to the Congress and the public for comments that will be considered in the final (February 1979) report--is attached for your review. A draft has been reviewed by all affected departments and agencies and their comments have been addressed. No one objects to publication of the report. Secretary Adams and I recommend that you approve its release to Congress and the public.

Summary of the Report's Findings

The Department's analysis explains and documents the basic problem of the rail freight industry: that it has been unable to adapt to changing economic patterns in the country. Uneconomic services have been continued due to regulatory constraints. Rail wages have increased at significantly higher rates than the national averages without offsetting productivity increases. Management has missed opportunities for marketing and for cost control. Finally, Federal assistance in the development of competing highway and waterway freight systems has helped put the railroads at a competitive disadvantage.

The result is an industry ill suited to compete for many of the present day demands for freight service--though railroads remain an integral part of the national transportation system and possess inherent economic and energy advantages over other freight modes. To characterize the plight of the industry, and to fulfill the Congressional study mandate, the report analyzes the capital investment that could be needed to rehabilitate and modernize the existing rail system over a 10-year period 1976-1985. It is estimated that the industry could need between $13-$16 billion beyond the internally generated investment of $27-$30 billion. */

*/ By legislative direction, the report excludes Conrail. That Northeastern Railroad has already received Federal authorizations for $3.3 billion and indications are that it may never become self-supporting in its present form.

Half of this potential shortfall in capital can be traced to only seven railroads in the northeast and midwest. Those railroads are already bankrupt or in precarious financial condition. Even if the entire capital requirement were supplied to the industry interest free, it would only serve to preserve the current situation and would do nothing to preclude future shortfalls. This is because aid would not address the basic problems of overcapacity and ineffectual competition with other transportation modes. For this reason, the report rejects the option of providing Federal capital assistance for the purpose of meeting the industry's shortfall. Actions to restructure the industry and relax regulatory constraints must occur.

Although the Department agrees that labor productivity is a major rail problem and a basic contributor to the shortfall, it did not wish to do a full analysis of it in the preliminary report because of pending rail labor negotiations. Now that the negotiations are near completion, DOT agrees that recommendations should be provided on the labor-management problem in the final report.

Proposed Policy

The report concludes that basic changes in the size, organization, productivity, and regulation of the industry must occur if this country is to retain the only private rail freight system in the world. It recommends that the appropriate Federal policy would be to facilitate the needed changes.

The report states that the industry, Congress, and the Administration must take a number of concurrent actions. The extent to which these actions will contribute to the solution of the industry's problems will vary by railroad and area of the country. For example, these actions should be sufficient to solve much of the problem (and its symptom, the capital shortfall) for the stronger railroads of the West and South. They would not suffice, however, for the weaker railroads of the midwest unless some aid was available to accelerate the changes. Those actions are:

1. The freight railroad industry must undergo a restructuring (e.g., abandonments, mergers, corporate reorganizations, etc.) to reduce the size of its physical plant. Unnecessary and duplicative services would be eliminated, leaving only economically justified services. Federal actions will not be directed to the purpose of preserving rail corporate entities.

2. All aspects of railroad productivity must be improved.

3. As a high priority, railroads should be freed from uneconomic regulatory constraints so that they can be competitive with the other freight transportation modes.

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4. Move forward to increase user charges on the competing barge mode and to examine the adequacy of existing charges on truck transport.

5. To the extent that the basic rail problems still exist after the above actions have been initiated, limited Federal assistance may be appropriate for economically sound projects which contribute to the restructuring and productivity objectives.

Next Steps

If you approve transmittal of the report to Congress and the public, the Department will then schedule public hearings throughout the country to aid development of the final report. Since rail legislation is expected next year, the final report will be the best opportunity for the Administration to state its policy toward the rail industry and propose a legislative approach that will accomplish all elements of that policy.

Decision

We recommend that you approve transmitting this report to Congress and to the public.

Brock Adams

W. Bowman Cutter

✓ I approve transmittal of the report.

_____ I do not approve transmittal at this time.

_____ See me.

Do not commit me on specifics -

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT

SUBJECT: DOT Rail Freight Study

We agree with OMB and DOT that you should clear the report.

The potential areas of disagreement between OMB and DOT outlined in the OMB memo are of course exactly those with the most political explosiveness -- track abandonment, labor productivity and corporate failures. The Administration may be forced to compromise with the Congress on some of these issues as they come up. The likely need for such compromises increases the importance of our regulatory reform program and our appointments to the ICC. A freer regulatory environment will go a long way toward upgrading railroad performance, encouraging mergers and generally rationalizing the industry.

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: SEPTEMBER 22, 1978

FROM	SUBJECT	DISPOSITION	COMMENTS
REP. ED ROYBAL (D) - CALIFORNIA	REPORTS THAT THE CONGRESSIONAL HISPANIC CAUCUS FUNDRAISER WAS A "SMASHING SUCCESS"; "THE EVENING WAS HIGHLIGHTED BY MRS. CARTER'S INSPIRED PRESENTATION"; EXPRESSES APPRECIATION TO JOE ARAGON; "JOE IS A FINE EXAMPLE OF YOUR TALENTED STAFF AND REFLECTS YOUR COMMITMENT TO THE HISPANIC COMMUNITY."	REFERRED TO CENTRAL FILES CC:ROSALYNN,ARAGON	
SEN. GEORGE MCGOVERN (D) - SOUTH DAKOTA	HANDWRITTEN LETTER; "SOUTH DAKOTANS NOW THINK THAT LILLIAN IS A BETTER ASSET THAN EVEN ANWAR AND MENACHEM. CONGRATULATIONS ON A HISTORIC WEEK"; ENCLOSES ARTICLE FROM THE SIOUX FALLS ARGUS LEADER ON THE TRIP.	REFERRED TO FRANK MOORE CC:KRAFT,HARDEN to me	
REP. MAX BAUCUS (D) - MONTANA	REQUESTS THAT YOU MEET WITH A GROUP OF CITIZENS FROM MONTANA REGARDING THE STATE OF CIVIL DEFENSE PREPAREDNESS.	ACKNOWLEDGED BY FM REFERRED TO JACK WATSON	
SEN. HERMAN TALMADGE (D) - GEORGIA	REITERATES HIS ENDORSEMENT OF THE INVITATION OF THE GEORGIA SOCIETY OF PROFESSIONAL ENGINEERS FOR YOU TO ADDRESS THE ENGINEERS' WEEK BANQUET, SAVANNAH, FEBRUARY 1979.	REFERRED TO FRAN VOORDE	

GEORGE McGOVERN
SOUTH DAKOTA

ACK. FM
CONGRESSIONAL
LIAISON

United States Senate
WASHINGTON, D.C. 20510

SEP 22 1978
CC: Kraft, Harden

September 20, 1978

Dear Mr. President,

South Dakotans now think that Sillins is a better asset than even Asmar and Muenchen!

Congratulations on a historic week.

Sincerely,

George

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THE WHITE HOUSE

WASHINGTON

September 25, 1978

Dear Senator McGovern:

The President asked me to thank you for your letter of September 20 regarding Miss Lillian's visit to South Dakota.

The President appreciates your courtesy in taking the time to share the article from the Sioux Falls Argus Leader with us. He is delighted that South Dakotans enjoyed Miss Lillian as much as she enjoyed South Dakota.

Sincerely,

Frank Moore

Frank Moore
Assistant to the President
for Congressional Liaison

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

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THE WHITE HOUSE
WASHINGTON

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28 Sept. 1978

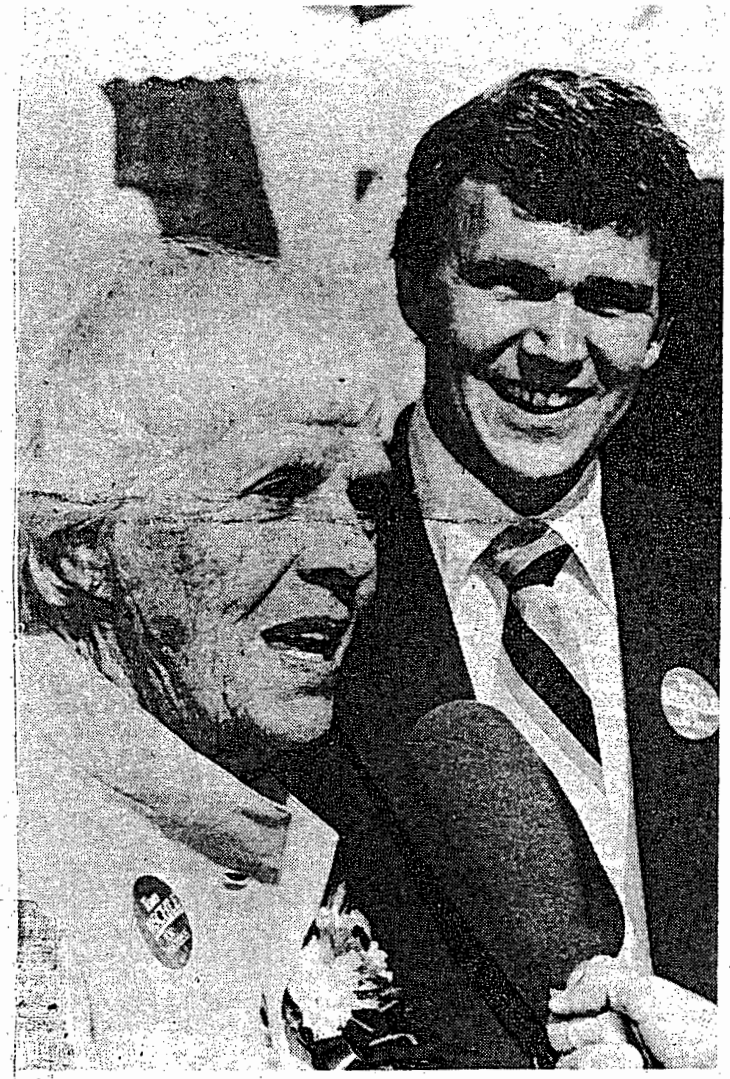
Susan--

The President, on his mail summary, asked to see the article which Senator McGovern sent regarding Miss Lillian's visit to South Dakota.
I have enclosed the original article, plus a copy of the incoming letter, plus a copy of Frank's response to the Senator.

Ev Small

Miss Lillian's door-to-door trek wows Aberdeen voters

S.F. Argus Leader 9-14-76



Lillian Carter, the 80-year-old mother of President Jimmy Carter, is shown with First District congressional candidate Tom Daschle in Aberdeen Wednesday. (Aberdeen News American photo)

By JANA MINER
Argus-Leader Staff Writer

ABERDEEN, S.D.—"You all should vote for this young man as your next Congressman," she said, smiling sweetly and simply "charmin' the socks off" 250 Brown County Democrats Wednesday evening.

With that, 80-year-old Lillian Carter topped a day of whirlwind campaigning for First District Democratic hopeful Tom Daschle.

Through the day, Miss Lillian's gentle warmth contrasted with a sharp sense of humor as she relentlessly urged voters in Madison and Aberdeen to support Democratic candidates.

"I know a "few" nice Republicans," she told a luncheon gathering at Madison, "but not very many."

Miss Lillian was not in South Dakota to gain support for her son's policies, she said, nor did she want to discuss national issues.

She told reporters in Sioux Falls that her son does not seek her advice on what to do in the Oval Office.

"I realize he knows more things than I do," she said.

Miss Lillian also doesn't stay up nights worrying about the decisions and weight on her son's shoulders.

"I say my prayers and go to sleep," she said. "It doesn't worry me at all."

And, the voters meeting Miss Lillian didn't want to discuss issues with her.

Campaigning door to door with Daschle in Aberdeen, she surprised one barefoot woman, ironing for her family.

"Oh, I'm so surprised to see you," said the housewife. "I didn't expect this. I knew that you were coming to town but not that you were coming to see me."

Daschle said later the door-knocking response was "just great" because of its spontaneity.

"Most people told her they'd never had a celebrity at their homes before. Everybody loved her," he said.

Political observers said Wednesday night that Miss Lillian's trip was a definite plus for the Aberdeen native running against Leo Thorsness.

"How can you help but like her," one said. "You might take sides about something the President says, but she's not part of that. She's just a nice lady."

That nice lady enjoys the hustle of the campaign trail, saying she's tried to retire twice, but that "Jimmy always finds something for me to do."

"I really don't want to retire...I hope I die with my shoes on," she said in Aberdeen.

Later, at a cocktail party for Daschle, she said she didn't mind anything but "standing all day long...by this time, I'm ready to sit."

Sipping slowly on a glass of bourbon and water, the "first mother" posed for pictures with Democratic party faithfuls.

"Oh, you're a bachelor? How old are you?" she asked one older man, winking slyly at the supporters standing near her.

At ease with large crowds or just a handful, Miss Lillian chatted quietly at the cocktail hour, offering observations on her children.

"They were all raised the same, but they didn't turn out the same...they're all dear. You probably know one better than the rest, but the others are important,too."

Mrs. Carter didn't hesitate to share her likes and dislikes with Daschle's supporters.

"I can't wait to see the fight this week (between Leon Spinks and Muhammad Ali)...I like anybody who will say they are the greatest (Ali). You have to believe in yourself," she said.

Swiftly switching topics, the white-haired grandmother said she "can't stand red wine. It goes right to my elbows. A little white wine isn't bad."

Throughout the day the people meeting Miss Lillian were amazed at the vitality and sincerity displayed with a touch of Southern drawl.

"I got to shake her hand," said one Lake County farmer in Madison. "I consider it an honor."

The handshaking and endless line of photographers didn't seem to phase Miss Lillian, as she smiled and posed, shook hands and offered a soft-spoken "glad to meet you" to everyone.

As her husky personal escort from the Georgia State Highway Patrol finally whisked her away for the night, Miss Lillian smiled one last time.

"I like South Dakota...you all are nice," she said.

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THE WHITE HOUSE

WASHINGTON

September 29, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT Stu/D.L.
FRANK MOORE Jim/pd

SUBJECT: Black Caucus Meeting

The Vice President has talked with Parren Mitchell this morning to determine what the Black Caucus will be seeking this afternoon. Based on that conversation I understand there are three main actions they are seeking from you.

First, they would like a statement that Humphrey-Hawkins is for all people, not just for blacks. In response to that request, I recommend that you indicate your strong conviction that full employment is not a concept of concern only to blacks or minorities. Throughout your 2-year support for Humphrey-Hawkins you have never stated that this is a bill just for blacks or Hispanics or other minorities. You have always indicated that this is a bill that the country should want so that our national commitment to full employment is known to everyone, for everyone is affected. I recommend that you also state that you will include such a statement in your speech tomorrow night to the Black Caucus.

Second, the Caucus is interested in your stating again a commitment to seek passage this session. As you know, some members of the Caucus feel the Administration has not placed sufficient priority on Humphrey-Hawkins -- it is not in the same category as energy and taxes for instance -- and believe we could live with passage next year. I recommend that you indicate that Humphrey-Hawkins has always been on our highest priority list for passage this session. Whenever we have presented our priorities to the Speaker or Senator Byrd, it has always been clear that our highest priority list included Humphrey-Hawkins. (In July, when the Vice President and we met with Senator Byrd, the document shown to him about our priorities included Humphrey-Hawkins in the highest priority list.) You should also indicate that we have been working night and day to secure Senate passage this year, for we also believe that the chances of passage are better now than they

ever will be. You might also indicate that in your speech tomorrow, you will state that Humphrey-Hawkins needs to be passed this year.

Third, the Caucus is interested in your pressuring Senator Byrd to get a time agreement with Senator Baker. As you know, Senator Byrd has been unable to get such a time agreement. He spoke with Senator Baker as recently as this morning but was unable to get very far. You might indicate that the Administration has been in constant touch with Senator Byrd about getting a time agreement and that everything that can possibly be done is being done. But more needs to be done by those demonstrating in support of Humphrey-Hawkins at the Capitol today to pressure Republican Senators who are opposing a time agreement.

I do not think that you need to in any way discuss the previous meeting with the Black Caucus. The Vice President will have discussed that to the extent necessary and believes you need make no reference to the other meeting.

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2:15 PM

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

FOR THE PRESIDENT

FROM GRETCHEN POSTON GP

DATE: 28 September 1978

SUBJECT: BRIEFING/RECEPTION FOR BUSINESS LEADERS RE ENERGY
29 September 1978

2:00 P.M. Guests arrive Southwest Gate and proceed to East Room for seating and briefing.

(Briefing materials in chairs.)
(Platform guests: Secretary of Agriculture, Secretary of Energy, Stuart Eizenstat).

2:15 P.M. The PRESIDENT arrives State floor, and proceeds to East Room - pause at door for announcement - and continues to podium on east wall.

The PRESIDENT'S remarks.

(Press coverage of remarks.)

2:30 P.M. The PRESIDENT departs State floor.

3:00 P.M. Briefing concludes. Guests depart East Room to State Dining Room for refreshments.

4:00 P.M. All guests depart Residence.

NOTE: 275 guests expected.
Briefing papers arriving separately from Anne Wexler.

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THE WHITE HOUSE
WASHINGTON

September 29, 1978

MR. PRESIDENT:

THE FOLLOWING HAVE BEEN INVITED TO ATTEND THE 9:15 A.M. MEETING ON THE TAX BILL:

SECRETARY BLUMENTHAL
VICE PRESIDENT
STU EIZENSTAT
FRANK MOORE
CHARLIE SCHULTZE

WOULD YOU LIKE TO INCLUDE JIM McINTYRE ✓ Yes

PHIL J

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THE WHITE HOUSE
WASHINGTON

9/29/78

Mr. President:

Do you want to meet with an NSC group today on SALT?

✓ yes ____ no

Phil

7:30 - Salt between
1:00 PM ~ Around 10-12 am

F

Copy dlt

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THE WHITE HOUSE
WASHINGTON

September 27, 1978

MR. PRESIDENT

MIKE BLUMENTHAL WOULD LIKE TO SEE YOU THURSDAY OR FRIDAY TO DISCUSS THE TAX BILL. FRANK MOORE OR A MEMBER OF HIS STAFF WOULD PROBABLY SIT IN ON THE MEETING.

APPROVE MEETING ✓ DISAPPROVE _____

PHIL

✓ also - VP
✓ Charlie
✓ Stu

Friday Sept 29
9:15 a.m.

J

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THE WHITE HOUSE
WASHINGTON

ok
J

Mr. President,

Tim Kraft has
Mayor David Rusk
Albequerque, N. Mexico &
Dean Rusk's son in
the Oval office
for a photo as
you leave.

Phil

THE WHITE HOUSE

WASHINGTON

MEETING WITH MEMBERS OF AGRICULTURAL ORGANIZATIONS

Friday, September 29, 1978
2:15 p.m. - 2:30 p.m.
The East Room

FROM: ANNE WEXLER
STU EIZENSTAT

I. PURPOSE

To express your appreciation for the support that agricultural organizations have given the natural gas conference report, and to seek their help in securing House passage of the energy package.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: On September 1, you met in the Cabinet Room with a number of organizations that represent major agricultural users of energy. The organizations had formed a coalition in support of the natural gas conference report, and you thanked their leaders for their assistance. The members of the coalition were effective lobbyists in the Senate for the Administration's position. The leaders of the major groups in the coalition asked Anne Wexler and Frank Moore to set up a large meeting at which their most important members could discuss agricultural-related energy concerns with you and Secretaries Bergland and Schlesinger.

When you arrive, Stu Eizenstat will have made welcoming remarks, discussing agricultural and energy issues in the context of the Administration's overall domestic policy. After you depart, Bob Bergland and Jim Schlesinger will make presentations and take questions. (See attached Agenda).

B. Participants: Approximately 250-300 persons are expected to attend from all over the country. The following groups submitted names of invitees: American Bakers Association; American Frozen Food Institute; American Feed Manufacturers Association; Chocolate Manufacturers Association; Corn Refiners Association; International Association of Ice Cream Manufacturers; Milk Industry Foundation; National Association of Wheat Growers; National Broiler Council; National Food Processors Association; National Grange; National Milk Producers Federation; National Council of Farmer Cooperatives; Society of American Florists; United Fresh Fruit and Vegetable Association; The Fertilizer Institute, and the National Association of State Departments of Agriculture. The latter group submitted the names of the state agricultural commissioners from all fifty states; about 20 of these commissioners are expected to attend. The National Association of State Departments of Agriculture recently passed a supportive resolution (attached).

C. Press Plan: White House photographer and press pool will be present for major aspects of your remarks. In addition, several press representatives will remain in the room for the entire briefing. This group consists of 30-35 agricultural broadcasters, with whom you will have met shortly before you go to the briefing.

III. TALKING POINTS

Talking points prepared by the Domestic Policy Staff are being submitted separately.

Resolution in Support of Natural Gas Conference Report Passed by National Association of State Departments of Agriculture, meeting in Columbus, Ohio, September 13, 1978

The energy situation in the United States is critical. Agriculture depends entirely upon an adequate supply of fuel. To meet the needs of agriculture in this country, comprehensive legislation must be enacted and the passage of the bill is crucial in order to demonstrate to the world that we have the will to deal with the energy problem in a decisive way. The Conference Report will allow for the production of more gas than at present and it contains provisions to protect the agricultural sector from production to the point of last sale from undue high costs and contains provisions that will equally and readily provide for the essential agriculture production during periods of curtailment.

RESOLVED, that the National Association of State Departments of Agriculture in convention in Columbus, Ohio on September 13, 1978 urges enactment of the Natural Gas Conference Report H.R. 5289 without amendment and urges the Congress to act on this legislation this session.

BRIEFING ON ENERGY

AGRICULTURAL, FOOD AND FARM GROUPS

The East Room
The White House
2:00 p.m., September 29, 1978

AGENDA

2:00 p.m.	Inflation, International and Domestic Policy Considerations	Stu Eizenstat
2:15 p.m.	Comments	The President
2:30 p.m.	Agricultural Issues	Robert Bergland Secretary of Agriculture
2:40 p.m.	The Energy Legislation	James Schlesinger Secretary of Energy
2:50 p.m.	Questions and Answers	
3:05 p.m.	Reception	State Dining Room

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U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

September 29, 1978

MEMORANDUM TO THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall

SUBJECT: Status of the Railroad Strike

As of this morning the workers remain on strike despite the fact that you have signed an Executive Order establishing an emergency board designed to halt the work stoppage for 60 days.

After you decided to go ahead with the emergency board procedure I spoke with Fred Kroll, President of BRAC, in an effort to get him to agree to return to work. His concern was that there would be reprisals by the companies against striking union members. I assured Kroll that the government's position would be that, under the law, there could be no such reprisals by the companies and we would make sure that it was part of any court order.

Last night the companies went to District Court to seek a restraining order to get the union back to work. Judge Robinson heard the case and the companies and the union agreed in principle to the concept of "no reprisals." Judge Robinson asked the parties to negotiate a consent order but they were unable to do so when they began to discuss details. Judge Robinson then refused to grant an order and set another hearing for 2:00p.m. today. It is very uncertain whether Judge Robinson will grant an order. In any event the government will also file a request for a restraining order since we believe that will add impetus for a positive decision by the Judge. I will also try to get the parties together before 2:00p.m. so that they might agree to the language of a consent decree.

If we do not succeed in the District Court we will proceed immediately to the Court of Appeals to get a restraining order there. We should be able to file in the Court of Appeals by 5:00p.m. today. If we fail in the Court of Appeals we will go immediately to the Supreme Court.

By the time the weekend is over we will know whether or not we will need to go to the Congress for special legislation. I am alerting Speaker O'Neill, Majority Leader Byrd and other appropriate congressional leaders of the current status and the possibility we will need legislation.

c.c. Landon Butler

THE WHITE HOUSE
WASHINGTON

9/29/78

Stu Eizenstat

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

Rick Hutcheson

cc: The Vice President
Frank Moore
Jim McIntyre

AGRICULTURE APPROPRIATION BILL

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

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

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

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IMMEDIATE ACTION REQUESTED

THE WHITE HOUSE

WASHINGTON

September 28, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT
LYNN DAFT

SUBJECT: Agriculture Appropriation Bill

The Appropriations bill containing funds for Department of Agriculture programs passed the House on September 26 and the Senate on September 27. The enrolled bill will come to you next week.

In expectation that an appropriations bill would be approved by both the House and Senate and sent to your desk before the end of the current fiscal year, the Congress has not provided for Agriculture programs in a continuing resolution. Therefore, should you choose not to sign this bill, there would be no provision for new funds for Agriculture programs.

Nearly all these programs could be kept in operation without new funds until a continuing resolution could be passed. In some cases, fund balances are available from prior fiscal years; in every case federal employees will remain on the job. Generally, there will be no disruption of essential programs and services.

There is, however, a unique problem with the Special Supplemental Food Program for Women, Infants, and Children (WIC). Statutory authorization for this program expires September 30. In the absence of a continuing resolution, the only legal authority for continuing this program is in the appropriations bill. This program differs from others in that payments to program participants are made by state government agencies, based on letters of credit from the federal government promising reimbursement. The Department of Agriculture has been notified by several state governments that they will not, or cannot lawfully, continue to issue vouchers to program participants which will become due and payable after September 30.

Disruption of this program will seriously impact the low income women and children who rely on the program for nutritional assistance. Beyond the interruption in program benefits, this would result in a great deal of unnecessary administrative expense and confusion. There would also be some longer-term consequences. The amount of funds provided for this program in the 1979 appropriations act, $550 million, will provide for an average of 1.5 million persons to participate in this program on a full-year basis. Should this program be suspended owing to lack of authorization and funds, and then started again later in the fiscal year, the $550 million will be available for less than a full year. Since we are required to make every effort to expend all available funds, states would probably increase participation by the end of fiscal year 1979 above the current estimate. For 1980 we would have to exclude these additional participants from the program or increase the fiscal year 1980 budget to provide for them.

Although they have not yet officially received the enrolled bill, OMB has completed their analysis of it. The total 1979 budget authority provided in this bill, $18,288 million, is $198 million over your requested level.

The major program changes to your requests are as follows:

-- Agricultural Conservation Program. The enrolled bill provides an increase of $90 million to your requested $100 million for this program. Language in the bill, however, does allow the Administration to focus on "enduring conservation practices" and move away from "production enhancements."

-- Research. Activities of the Agricultural Research Service and the Cooperative State Research Service are increased by a total of $65 million -- of which $35 million is for construction. The bill does not reflect your proposed shift in funding to higher priority research.

-- Soil Conservation Service. The Congress has increased funding for low priority activities such as resource conservation and development. Although funds were not added for cost-sharing for nonpoint source pollution abatement practices, the conferees indicated in their report that they did not concur in the Administration's proposal to fund such practices under the agricultural conservation program and "await a supplemental request."

-- Farmers Home Administration. Grant programs are increased somewhat. However, major increases (+$1,037 million) in limitations -- not counted as appropriations -- for loan programs will increase pressure on credit markets and because about $200 million of the loans will involve subsidies they will add to budget outlays.

-- Forced Hiring. Continuing a practice begun in the 1977 appropriation bill, a general provision in the bill mandates minimum employment ceilings for certain Department organizations.

-- Denial of full funding. $58 million requested to fully fund 25 new, small watershed projects was denied. One year funding was provided.

Through his work with Senator Eagleton and Congressman Whitten, Jim McIntyre was able to achieve changes in the conference committee bill to: (1) redirect the agricultural conservation program, (2) eliminate add-ons for the nonpoint source pollution program, and (3) strike House language that would have provided separate appropriations for "salaries" and "other expenses," thus forcing the Administration either to undertake an unwarranted expansion of the Federal workforce or propose rescission of the excess funds.

During congressional development of this bill, it was widely expected by some members of Congress (primarily on the Senate side) that you would veto this bill if the increases were in the $300-400 million range. Senators Eagleton and Bellmon were quite forceful in their efforts to hold the bill below that level. Jamie Whitten is also proud of the "concessions" that he made in conference to lower this bill. In light of this, a veto might not be understood and could hamper our work with them in the future.

OMB indicates they will recommend approval of the bill, as will all other affected agencies.

Thus, if you intend to sign the Agriculture appropriations bill, Secretary Bergland will send telegrams to each state government assuring them that the bill will be signed. State officials have indicated they will continue program operation on the basis of such an assurance.

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If you expect to veto the Agriculture appropriations bill, we will ask the House and Senate leadership to include Agriculture programs in a continuing resolution, with special authorizing language for the Special Supplemental Food Program. With the assurance of the leadership that such a resolution will be approved, Secretary Bergland can notify the states that the program will be continued on that basis.

To avoid a state shut-down of this program, Secretary Bergland has asked that this be brought immediately to your attention for decision.

We join OMB and the USDA in recommending that you indicate you will approve the Agriculture Appropriations Bill. Frank Moore also concurs.

DECISION

✓ Intend to approve Agriculture Appropriations Bill -- proceed to assure States it will be signed (OMB, USDA, DPS, and Frank Moore).

_____ Intend to veto Agriculture Appropriations Bill -- proceed to request inclusion in a continuing resolution.



THE WHITE HOUSE
WASHINGTON

9/29/78

Hugh Carter

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

Mr. President:

Phil has no comment.

Rick/Bill

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Hugh
J

THE WHITE HOUSE

WASHINGTON

September 26, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER

SUBJECT: Acquisition of Armored Cars

The Secret Service has approached me about the acquisition of additional armored cars, and the transportation of them domestically by air. In a memo to Stu Knight dated 1/21/77 (copy attached) you discussed armored cars and requested the following:

(1) That additional armored vehicles not be purchased without your approval.

(2) That cars be prepositioned domestically so that transporting them would not be necessary, if possible. That in cases where cars be transported domestically that they be driven or hauled by surface carrier, and that they be transported by air only when no other way is practicable.

(3) That permission be sought from you to transport vehicles overseas by air.

You have given me the authority to make the decisions on the overseas transportation. To save you the time, I recommend that you give me the authority to make the decisions on the acquisitions and the domestic air transportation.

recommend _____ You make the decisions on the acquisitions and domestic air transportation of armored cars.

_✓_ I prefer to make these decisions

Let me know - briefly - what status is. It would take no longer than fooling with this memo J

THE WHITE HOUSE

WASHINGTON

January 21, 1977

MEMORANDUM FOR

Mr. H. S. Knight
Director, U.S. Secret Service

CC to SAIC Keiser

I am concerned about the practice of moving armored cars by plane in connection with my travels.

I understand you are now, or shortly will be, able to pre-position suitable security vehicles at various key locations in the United States, and that the use of these cars will reduce the frequency of transporting vehicles by airplane. I expect you to continue to expand that program, but do not purchase additional vehicles without prior approval from me.

Because of the mechanical problems involved in driving these automobiles over long distances, I will leave to your discretion the decision to transport automobiles by other means, if practicable.

During travel overseas by American officials, I am concerned about the exclusive use of American armored vehicles provided by the Secret Service. In keeping with that, I realize that it will be necessary for me to have an environment in which I can discuss security matters freely, and that I am much safer in an armored vehicle, controlled and operated by the Secret Service, which has the communications and equipment necessary for me to carry out the duties of the Presidency and Commander-in-Chief.

Therefore, I request that you consult with me and seek permission from me to travel overseas with our protective vehicles in those instances where you feel the host government cannot provide suitable cars, or when it would require a sacrifice of the security precautions available to their leaders.

Jimmy Carter

P.S. See me soon re security. Tom Kraft will arrange meeting. J.

THE WHITE HOUSE
WASHINGTON

9/28/78

rick --

first lady dropped this
off when over here today...

she says that if it's under
ground -- alright.....but
she doesn't want anything
above ground.

president has not seen memo
or know of her comment

-- susan

ID 784825 THE WHITE HOUSE

WASHINGTON

DATE: 26 SEP 78

FOR ACTION:

INFO ONLY: FRAN VOORDE PHIL WISE - Held - wants to hand re-written

Plan will talk w/ Hc about it — stay in 9/26 no ob/action from OW

SUBJECT: H. CARTER MEMO RE ACQUISITION OF ARMORED CARS

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052)
BY:

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

ED 784825 THE WHITE HOUSE

WASHINGTON

DATE: 26 SEP 78

FOR ACTION:

INFO ONLY: FRAN VOORDE PHIL WISE

- I LEFT A PW WOULD LIKE TO HAVE THIS RE-W. HERE 9/28

SUBJECT: H. CARTER MEMO RE ACQUISITION OF ARMORED CARS

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052)
BY:

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE
WASHINGTON

September 26, 1978

MR. PRESIDENT:

Because I am responsible for the arrangements and logistics of all your travel which is directly affected by the ground transportation available, I would like to be involved in decisions concerning the acquisition of additional vehicles.

_____ Approve

_____ Disapprove

PHIL

THE WHITE HOUSE
WASHINGTON

9/29/78

Hugh Carter

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

Rick Hutcheson

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

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

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

THE WHITE HOUSE
WASHINGTON

9/28/78

Mr. President:

The First Lady says that the construction is ok with her, provided it is underground; however, she doesn't want anything above ground.

Rick

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THE WHITE HOUSE

WASHINGTON

September 26, 1978

If sounds like a gross a) waste of money & b) overdesign I don't like it

J

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER

SUBJECT: Electrical Power Capacity

Recently GSA and the National Park Service (NPS) approached me concerning limited electrical power capacity in the White House complex. Briefly, there are two concerns:

(1) The demand for electricity in the complex has increased over the years to the point where the present equipment (primarily transformers), which was installed over 30 years ago, cannot meet future needs.

(2) Presently the Residence and both wings have no emergency power supply (except the Situation Room and the shelter). Without an emergency system, the operation of the complex could be seriously hampered should a blackout occur for whatever reason.

In conjunction with Wilson and Wiley, an architectural and engineering firm, GSA and NPS have recommended the construction of electrical vaults near the East and West Wings. The vaults would house the transformers, emergency generators and fuel supplies. One vault would be just off West Executive Avenue, one just south of the East Wing on the South Lawn, and one on East Executive Avenue. Construction would last 60 to 100 days and would not begin until the spring of 1979. It would be handled so as to cause minimum disruption to White House activities. It would necessitate the relocation of the Gerald Ford and John Kennedy trees on the South Lawn, but we have been assured this can be done without damaging them.

The cost for the project is $2.7 million, and the funds are budgeted. !!

I feel we should go ahead with this project and will give GSA and NPS approval to proceed unless you have some objection.

_____ Have GSA and NPS proceed as you see fit. (recommend)

_____ Give me a more thorough briefing

_____ Other

THE WHITE HOUSE
WASHINGTON

9/28/78

Tim Kraft
Jim Gammill

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

Rick Hutcheson

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

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

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

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THE WHITE HOUSE

WASHINGTON

September 29, 1978

ok
J

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT TK
JIM GAMMILL JG

SUBJECT: Advisory Commission on Intergovernmental Relations

In response to your request, we have attached a copy of the letter from Governor William Milliken, Chairman of the National Governors' Association, transmitting the recommendations of the Association.

We recommend that you appoint Governor John Dalton, of Virginia, and Governor Bruce Babbitt, of Arizona. Jack Watson concurs with this recommendation.

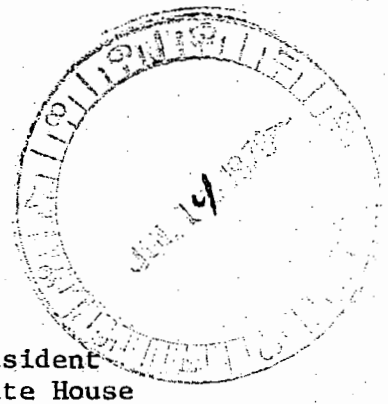
The Vice President will be in Arizona this evening for an event honoring Governor Babbitt. If you approve, he would like to announce during the event your intention to appoint Governor Babbitt to the Commission.

National Governors' Association

William G. Milliken
Governor of Michigan
Chairman

Stephen B. Farber
Director

July 13, 1978



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

Dear Mr. President:

On behalf of the National Governors' Association, I am pleased to transmit to you the following nominations for vacancies on the Advisory Commission on Intergovernmental Relations:

To succeed Governor Richard Kneip, Governor Bruce Babbitt of Arizona and Governor Joseph Teasdale of Missouri.

To succeed Governor Otis Bowen, Governor John Dalton of Virginia and Governor Robert Ray of Iowa.

Sincerely,

William G. Milliken

Chairman

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Let me
See the
list
J

THE WHITE HOUSE

WASHINGTON

September 27, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT T/K
JIM GAMMILL Jim G

SUBJECT: Advisory Commission on Intergovernmental Relations

There are openings for two Governors on the Advisory Commission on Intergovernmental Relations. One must be a Democrat and the other a Republican. As required by law, the National Governors Association has sent a list from which you should select. We recommend that you appoint the following:

Governor Bruce Babbitt (Arizona)
Governor John Dalton (Virginia)

RECOMMENDATION:

Appoint the two Governors named above to the Advisory Commission on Intergovernmental Relations.

_____ approve _____ disapprove

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Good -
Proceed -
(firmly)
J

THE WHITE HOUSE

WASHINGTON

September 28, 1978

MEMORANDUM FOR THE PRESIDENT

FROM JIM McINTYRE JM/WSC
STU EIZENSTAT
FRANK MOORE F.M./BR
ANNE WEXLER

SUBJECT Public Works Veto Strategy

Following your instructions, we have examined whether and how we should respond to Senator Johnston's, Congressmen Bevill's and Wright's suggestions for a possible compromise on the Public Works Appropriations issue. We should start by noting that all three of us believe that our position is sufficiently strong on this issue that we do not wish to move very far from your original position.

After discussing this with Charlie Schultze and others, we have concluded that we should consider a compromise. Pending your approval of the general strategy, the first step in that movement will be consultation with key allies such as Butler Derrick, Bob Edgar, Dick Bolling and Ab Mikva. We do not want to do anything that they would perceive as a sell-out of mutually-held principles.

We also agree that any change in our strategy, a change which envisions a compromise, must contain the following elements:

- A veto of the Public Works Appropriations bill which has been approved by both Houses.
- An agreement, in advance, by all parties that there will not be an override attempt.
- An agreement that Wright and Bevill will move to refer the bill to committee with a prior agreement on the

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substantive elements of the compromise, and which would result in the new bill being enacted by the House immediately and sent to the Senate to be enacted as agreed.

We would require that the compromise bill meet the following specifications:

1. No mandated employment levels. ok

2. Water Resources Council must continue. ok

3. No appropriations for any of the projects terminated last year. (We would -- as a fall-back position -- agree to include study funds for three projects.) ok

4. There must be agreement to some level of full funding. We would press for full funding of all new projects costing $100 million or less, with a requirement that projects costing more would be funded in not less than $100 million increments with the full costs (including inflation adjustments) set forth in the Committee reports. ok

5. We continue to use our new start selection criteria in future. ok

6. For selecting new starts this year:

   (a) We would set a full-funded budget cap of $800 million to $1 billion to be applied to the total cost of all new projects, not merely $100 million increments (up from your $640 million, down from Congress' $1.8 billion). We would start at $800 million and expect to fall back to $1 billion. ok

   (b) We would accept no <u>extremely</u> bad projects. However, listing a new "hit list" of very bad projects will be explosive and jeopardize support for the veto if no agreement is reached. Therefore, we would discuss specific projects <u>only</u> <u>if</u> firm agreement is reached first on an acceptable cap. ok

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(c) We would accept some deletions from our list of 26 and substitution of some of the Committees' projects within the full-funded cap.

We could be somewhat flexible in the procedures for arriving at such a final outcome. For example, we would be amenable to working out the compromise bill in detail with both Houses before the veto, with the objective of having it enacted immediately following the veto and returned to you.

Alternatively, we could agree on the above principles now for the ultimate 1979 appropriation, with the objective of having this Congress return a bill with some or all of your 26 new starts for signature now, leaving final selection of the remaining projects within the cap for the new Congress next spring in a 1979 supplemental. We could let the key Congressional leaders choose the procedure as long as we agree on the principles.

As you will note, we are rejecting the alternative of refusing any compromise, vetoing the bill, and fighting out an override attempt. We do so because (1) we regard the compromise certain of sustaining a veto; or, in the absence of a compromise, of achieving a better bill; (2) we all believe -- to some degree -- that there is linkage between this veto and the natural gas vote in the House; (3) we believe we should follow through by offering a possible compromise now that the issue has been raised by the other side; and (4) if the compromise is successful, we will have taken a significant step toward putting behind us, for the balance of your Administration, confrontations with the Congress over the Water Resource issue.

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9:00 AM

THE WHITE HOUSE

WASHINGTON

ok
I

September 28, 1978

MEETING WITH REP. HELEN MEYNER (D-13-N.J.)
Friday, September 29, 1978
9:00 a.m. (2 minutes)
The Oval Office

From: Frank Moore FM/GR

I. PURPOSE

Photo opportunity.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: Rep. Meyner joined you on AF1 on your trip to New Jersey September 19. An opportunity did not arise for a photo to be taken of her with you which she would like to have for a campaign brochure that is ready to go to press.

Rep. Meyner has been with us on every major foreign policy issue. Her support on the International Relations Committee has been consistently with the Administration.

Participants: The President, Rep. Meyner, Frank Moore, and Bill Cable.

Press Plan: White House Photographer.

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1:45 PM

THE WHITE HOUSE

WASHINGTON

September 29, 1978

MEETING WITH THE CONGRESSIONAL BLACK CAUCUS

Friday, September 29, 1978
1:45 p.m. (15 minutes)
The Roosevelt Room

From: Frank Moore F.M./pd

I. PURPOSE

To discuss S. 50, the Full Employment and Balanced Growth Act (Humphrey-Hawkins).

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

Background: Following the meeting on Tuesday, September 26, the Caucus has been further discussing the status of the Humphrey-Hawkins legislation and White House strategy on the bill. The Caucus, along with the Full Employment Coalition Action Council (Coretta Scott King, AFL-CIO and others), has indicated that it has been urging the President to call for a special session of Congress after the election to consider Humphrey-Hawkins.

The Vice President will open the meeting at 1:30 p.m. and will address the group until you arrive.

Participants: The President, the Vice President, Members of Congress on the attached list, Frank Moore, Valerie Pinson, Bob Thomson.

Press Plan: White House photographer only.

III. TALKING POINT

While Byrd has stated that he would like to schedule the bill for Muriel Humphrey, he has not put it on a high priority list. If and when the bill is called up, we do know that it will be the subject of various amendments to postpone the 1979 minimum wage increase and to establish a youth subminimum wage.

The Caucus would like to hear (both today and at your speech tomorrow at the Caucus dinner) that you have talked with Byrd and have reached a time agreement on the bill.

MEMBERS OF THE CONGRESSIONAL BLACK CAUCUS

Parren MITCHELL, Chairman
(D-Maryland-7)

Yvonne BURKE
(D-California-28)

Shirley CHISHOLM
(D-New York-12)

Bill CLAY
(D-Missouri-1)

Cardiss COLLINS
(D-Illinois-7)

John CONYERS
(D-Michigan-1)

Ronald DELLUMS
(D-California-8)

Charles DIGGS
(D-Michigan-13)

Walter FAUNTROY
(D-D.C.)

Harold FORD
(D-Tennessee-8)

Gus HAWKINS
(D-California-29)

Barbara JORDAN
(D-Texas-18)

Ralph METCALFE
(D-Illinois-10)

Robert NIX
(D-Pennsylvania-2)

Charlie RANGEL
(D-New York-19)

Lou STOKES
(D-Ohio-21)

THE WHITE HOUSE
WASHINGTON

9/29/78

Frank Moore

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

Rick Hutcheson

cc: The Vice President
Stu Eizenstat

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

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

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

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THE WHITE HOUSE

WASHINGTON

September 28, 1978

Clear this w/ Ms Frank
J

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT Stu
LYNN DAFT

SUBJECT: Statement on Proposed Sugar Legislation

The attached draft statement on proposed sugar legislation was prepared at your request, following your conversation with Congressman Vanik yesterday. Since the proposal may be acted on as early as tomorrow, we ask your approval for immediate release by Jody.

For your information, Senator Long informed Ambassador Strauss yesterday that he intends to attach the countervailing duty waiver we are seeking to the sugar bill when it is considered in the Senate.

PRESIDENTIAL STATEMENT ON PROPOSED SUGAR LEGISLATION

The House of Representatives will soon vote on legislation (H.R. 13750) to provide price and income protection to domestic sugar producers and to provide implementing authority for the International Sugar Agreement that was negotiated last year.

There is a major difference between the amendments approved by the Committee on Ways and Means and those approved by the Committee on Agriculture with respect to the pricing provisions in this legislation. The Ways and Means Committee version provides for a domestic market price objective for sugar of 15 cents a pound, raw value. The price of sugar in the United States would remain at 15 cents a pound until the world sugar price pushes it upwards.

In contrast, the Agriculture Committee version provides for an initial domestic market price objective for sugar of 16 cents a pound and, more importantly, it is automatically escalated (indexed) every six months based on changes in the wholesale price index and the index of prices paid by farmers. With these pricing provisions, the price of sugar to consumers would rise automatically simply because the price of other goods and services rose, irrespective of the market situation.

The pricing provisions in the Agriculture Committee bill are highly inflationary. According to our analyses, this bill would cost consumers nearly $3.5 billion more over the five-year life of the bill than would the Ways and Means Committee version.

Although the market price objective of 15 cents a pound approved by the Ways and Means Committee is higher than we originally proposed, elimination of the automatic escalator removed the Administration's major objection. Thus, in the interest of seeing the International Sugar Agreement ratified and an acceptable domestic sugar program enacted this session, the Administration strongly supports the Ways and Means Committee bill.

Legislation reported out of the Agriculture Committee is unacceptable. We are opposed to any change in the sugar pricing provisions from those reported by the Ways and Means Committee. Adoption of a significantly higher or escalating market price objective threatens any sugar legislation this session.

This Administration is strongly committed to providing equitable income protection to domestic sugar growers. But we can do this more efficiently and more effectively through use of the same deficiency payment system we use for other major agricultural commodities. And, by so doing, we can avoid adding further fuel to the inflationary fires.

I hope the House of Representatives will support the Ways and Means Committee version.

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THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

EYES ONLY

September 28, 1978

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze CLS

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

The Department of Commerce index of leading indicators rose 0.8 percent in August after falling 1.3 percent in July. Except for July, every month since January has shown an increase.

As you know, we don't put much stock in this index as a forecasting device, but some outside observers do. In any event, for those who do watch it, it shows no sign of either recession or boom.

THE WHITE HOUSE
WASHINGTON

9/29/78

Stu Eizenstat

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

Rick Hutcheson

cc: Frank Moore

TUITION TAX

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

	ADMIN CONFIDENTIAL
	CONFIDENTIAL
	SECRET
	EYES ONLY

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

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

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Stu - I think this is now moot. Let Bentsen's staff know I checked on it

THE WHITE HOUSE

WASHINGTON

September 28, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT

SUBJECT: Proposed Bentsen Amendment on Tuition Tax Credits

I have reviewed Senator Bentsen's proposed amendment and recommend, with the concurrence of HEW, that we do not indicate support for the amendment.

The Federal courts, including the Supreme Court, can issue declaratory judgments. A declaratory judgment can be issued when a dispute between parties exists but has not yet been acted upon. For instance, a declaratory judgment about an EPA regulation might be issued prior to a steel plant's having actually violated the regulation or spent funds attempting to comply with the regulation. The steel plant would simply seek a declaratory judgment from a court about the regulation's legality prior to taking any action to comply with the regulation.

Federal courts cannot, however, issue advisory opinions. The Constitution requires that there be a "case or controversy" in order for a Federal court to resolve an issue. Unlike declaratory judgments, advisory opinions, which many State courts may issue, are not within the definition of "case or controversy", for they are issued when there is no real or potential dispute involved in such a situation.

Under Senator Bentsen's proposed amendment, a declaratory judgment would be authorized on the issue of elementary and secondary tuition tax credits. For there to be a dispute, making a declaratory judgment possible, the statute would have to also contain at least some provision for an elmentary and secondary tuition tax credit. Without such a provision, there is no dispute for "case or controversy" purposes. Therefore, any court decision would merely be an advisory opinion. Of course, that problem is solved if the statute provides for elementary and secondary tuition tax credits, but the provision for declaratory judgment at that point is not very meaningful. A provision for elementary and secondary

tutition tax credits would certainly trigger suits charging the constitutionality of such provisions whether or not Senator Bentsen's amendment was adopted. Thus, nothing is really gained by the inclusion of such an amendment.

Senator Bentsen may not have the above legal analysis clear in his own mind, and he may be thinking that a declaratory judgment provision could be added without any need for actually including elementary and secondary tuition tax credits. If that were the case, and he decides to include such a provision without the elementary and secondary tax credits, there still exist strong policy reasons why the amendment should not be supported by the Administration. First, we do not want to indicate to our supporters on this issue that we have weakened in our resolve to fight elementary and secondary tuition tax credits. We do not want to imply that a court decision upholding the constitutionality of such credits would have our support on policy grounds. Second, we do not want to be in the position of appearing to doubt the Justice Department's opinion. We have consistently maintained the validity of that opinion and do not want to at this late date raise questions about that opinion.

In sum, I do not believe that Senator Bentsen's amendment should be supported; it has substantial legal and policy problems attached to it. If you agree with this analysis, I do not think you need to call Senator Bentsen. We have been in touch with his staff, and I can communicate your views to Senator Bentsen or his staff.

Since Senator Bentsen called you, some of the conferees have also been exploring a different tact. Senator Moynihan called me to ask our position on an elementary and secondary tuition tax credit of a negligible amount -- perhaps $10 per student per year. The point of such a "shell" tuition tax credit would be to enable the courts to make a final determination of the issue. The existence of the small credit would remove the "case or controversy" problem. I told the Senator that the Administration opposes elementary and secondary tuition tax credits of any amount, and we could not support even a small tuition tax credit. The amount involved does not remove the constitutional problems that we have with those type of credits.

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1:15 PM

THE WHITE HOUSE

WASHINGTON

September 28, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: Walt Wurfel

SUBJECT: Your meeting with Farm Broadcasters, Friday, September 29, 1:15 p.m., Cabinet Room

The broadcasters will be here all day. At 10 a.m. they will talk with Bob Bergland. After meeting with you, they will sit in on the energy briefing for farm representatives in the East Room.

A proposed opening statement approved by Stu's staff is attached. Because this group is all broadcasters, we will provide them with tape of your opening statement for use on the air.

Attached also is a brief update on farm issues.

All 30 in this group (from 18 states) are members of the National Association of Farm Broadcasters. Several represent statewide farm networks. Among them is Paul Pippert of KFRM, Wichita, who is the brother of UPI's Wes Pippert.

The usual White House photo pool will be present for the first part of your opening comments.

I will give the "thank you sir" after 25 minutes to allow for the usual quick one-on-one photos at the end.

AGRICULTURAL STATEMENT

We have made significant progress since this Administration took office in developing a legislative framework within which an effective food and agricultural policy can be fashioned and administered. Two laws in particular deserve note: The Food and Agriculture Act of 1977 and the Agricultural Credit Act of 1978. In combination, these authorities provide the basic tools that are required. A high degree of cooperation between the Congress and the Administration has helped make this possible.

With these laws now in place, I believe we can move ahead toward the realization of our major food and agricultural policy objectives. These objectives include:

- a fair and reasonable rate of return to resources employed in agriculture ... a return that is achieved primarily through the market place and on a sustained basis rather than through wide and unpredictable price fluctuations ... and does not periodically result in rapid food price inflation;

- an agriculture in which family owned and operated units are predominate and where the individual farmer has maximum control over marketing and production decisions;

- o an agriculture that is not dependent on government support and subsidy;
- o increased competitiveness of American agriculture -- the world's most efficient producers of food and fiber -- in world markets; and
- o finally, we are looking for a policy that provides continuity over the long-pull ... that establishes a set of ground rules that can be counted on and that will not be changed at every turn in the market.

As I said at the outset, I am satisfied with our progress to-date in developing this policy. The results are beginning to be evident, although it will take more time for the effects to be fully apparent. The prices of most farm commodities have risen significantly.

Net farm income this year will be $24 - $25 billion, over $4 billion higher than it was in 1977, and the third highest in history. Farm exports will set a new record, with receipts forecast at $26 - $27 billion. Because of our aggressive market development efforts, agriculture will contribute almost $13 billion toward reducing our balance of trade deficit.

In short, we are well on our way to building a responsible and effective food and agricultural policy ... one that I believe will stand the test of time.

Briefing Items for Farm Press Meeting

o 1979 Feed Grain Program

Primarily interested in timing of the announcement and extent of acreage diversion. Anaylsis of options is proceeding. Both Secretary Bergland and Stu Eizenstat have met with producer representatives within past couple weeks. Although law requires that program be announced by November 15, we believe an earlier announcement is needed to help farmers make production decisions. We are tentatively aiming for mid-October. It is premature to discuss the extent of acreage set-aside or diversion.

o Sugar Legislation

The Administration strongly supports the bill reported by the House Ways and Means Committee. It establishes a market price objective of 15 cents per pound, without use of an escalator. The Administration would use this authority, in combination with existing deficiency payment authority, to protect the incomes of sugar producers. This is the fairest, most efficient, least inflationary solution to the problem. The House Agriculture Committee bill would add an additional $3.5 billion to user costs over the next 5 years; the bill introduced in the Senate would add over $5 billion more.

o Meat Import Decision

The decision to allow an additional 200 million pounds of beef to be imported this year was based on a number of considerations that were thoroughly assessed prior to the decision. It was designed in major part to head-off a negative consumer response to an extremely sharp rise in retail meat prices. It was a measured and limited response, not a complete suspension of quotas such as occurred in 1972, 1973, and again in 1974. The Administration is committed to a healthy and economically viable livestock industry and to a sustained recovery of this industry. Toward this end, we have indicated: (a) there will be no further additions to the import quota this year, (b) the quota will not be totally suspended next year, and (c) we have no intention of imposing price controls.

o Amendment to the Meat Import Act

We are strongly opposed to both the Bentsen bill that has passed the Senate and the bill reported out of the House and Ways and Means Committee. Although we endorse the counter-

cyclical concept as contained in the House bill, we are opposed to further restrictions on the overall quantity of meat imports and to measures that would restrict Presidential descretion in gearing imports to domestic market requirements. Both bills would seriously impair this descretionary action.

- o USDA Reorganization

There is general uneasiness over what the reorganization effort will mean to agricultural interests. Approached positively, it offers an opportunity to strengthen the Department of Agriculture by making it into an institution that better reflects the many dimensions of today's food and agriculture system. Alhtough this might entail more attention to some of the newly emerging concerns -- e.g., nutrition, international, environmental -- it can yield an institution that will serve traditional concerns more effectively too. If the Department of Agriculture is to regain the vitality and social relevance it once had (A. Lincoln: "the people's Department"), it must broaden its sights and give voice to a wider range of interests than it has in recent years.

- o Deputy Secretary

There is some concern that the failure to fill this post over the past 9 or 10 months is indicative of a low regard for the USDA within the White House.

- o US/Soviet Relations

There is some worry that strained diplomatic relations between the two countries will adversely affect our agricultural exports to the Soviet Union. There is also some concern that we are not aggressive enough in our dealings with the Soviets regarding the grain agreement. Producer groups would like to see us take the initiative in offering to sell above the 6-8 mmt agreement level. We are scheduled to meet with the Soviets in mid-October at which time this will be discussed. The Administration has generally assured the farm community that agricultural exports will not suffer as a result of current foreign policy differences.

FARM PRICE COMPARISONS

PRODUCT	CURRENT*	YEAR AGO**
wheat (Kansas City)	$ 3.27	$ 2.46
corn (Chicago)	$ 2.12	$ 1.80
soybeans (Chicago)	$ 6.30	$ 5.02
hogs (Omaha)	$52.38	$41.40
slaughter cattle (Omaha)	$54.88	$40.13

These prices are reflected in higher farm incomes this year, higher by $4 to $5 billion (20 to 25 percent).

* September 26, 1978

**September 15, 1977

THE WHITE HOUSE

WASHINGTON

AGENDA

National Association of Farm Broadcasters' Briefing

September 29, 1978

8:30-8:40 a.m.	Coffee
8:40-9:00 a.m.	WALTER WURFEL Deputy Press Secretary PATRICIA Y. BARIO Associate Press Secretary Office of Media Liaison
9:00-9:45 a.m.	GUY MARTIN Assistant Secretary Department of the Interior MICHAEL BLUMENFELD Deputy Under Secretary of the Army
9:45-10:00 a.m.	Break
10:00-11:00 a.m.	SECRETARY BERGLAND
11:00-11:15 a.m.	Break
11:15-11:45 a.m.	Lunch
11:45-12:55 p.m.	JACK H. WATSON, JR. Secretary to the Cabinet and Assistant to the President for Intergovernmental Affairs ALEX MERCURE Assistant Secretary for Rural Development Department of Agriculture LYNN M. DAFT Associate Director for Agriculture and Rural Development, Domestic Policy Staff

12:55-1:05 p.m.	En Route to Cabinet Room
1:05-1:15 p.m.	JODY POWELL Press Secretary
1:15-1:45 p.m.	Q & A WITH PRESIDENT CARTER
1:45-2:00 p.m.	En Route to East Room to Cover Energy Briefing
2:00-3:00 p.m.	ENERGY BRIEFING FOR FARM REPRESENTATIVES CHARLES SCHULTZE ROBERT STRAUSS SECRETARY BERGLAND
3:00-3:45 p.m.	W. BOWMAN CUTTER Executive Associate Director for Budget Office of Management and Budget
3:45-4:30 p.m.	JAMES BISHOP, JR. Director, Office of Public Affairs Department of Energy

BRIEFING
FOR
NATIONAL ASSOCIATION OF FARM BROADCASTERS

September 29, 1978

Attendees

ARKANSAS

Mr. Marvin Vines
KAAY Radio
Little Rock, Arkansas

DISTRICT OF COLUMBIA

Mr. Layne Beaty
Department of Agriculture
Washington, D. C.

ILLINOIS

Ms. Colleen Callahan
WMBD Radio
Peoria, Illinois

Mr. Max Molleston
WHBF Radio
Rock Island, Illinois

INDIANA

Mr. Harry Martin
Rural Radio Network
New Palestine, Indiana

IOWA

Mr. Mark Oppold
WMT Radio
Cedar Rapids, Iowa

Mr. Keith Kirkpatrick
WHO Radio
Des Moines, Iowa

Mr. Craighton Knau
KMA Radio
Shenandoah, Iowa

KANSAS

Mr. Richard C. Hull
WIBW Radio-TV
Topeka Kansas

Mr. Paul Pippert
KFRM Radio
Wichita, Kansas

Mr. Larry Steckline
Mid America Ag Network
Wichita, Kansas

KENTUCKY

Mr. Jack Crowner
Farm Service Radio Network
Louisville, Kentucky

MICHIGAN

Mr. Howard Heath
Michigan Farm Radio Network
Milan, Michigan

MINNEAPOLIS

Mr. Dean Curtiss
KDHL Radio
Faribault, Minneapolis

Mr. Chuck Lilligren
WCCO Radio
Minneapolis, Minnesota

MISSOURI

Mr. Derry Brownfield
Missouri Network, Inc.
Centertown, Missouri

Mr. Bob Azelton
KFEQ Radio
St. Joseph, Missouri

NEW YORK

Mr. Ed Sluszrcyk
WTLB Radio
Utica, New York

NORTH CAROLINA

Mr. Ray Wilkinson
WRAL Radio
Raleigh, North Carolina

NORTH DAKOTA

Mr. Dave Bateman
WDAY Radio
Fargo, North Dakota

OHIO

Mr. Robert Miller
WLW Radio
Cincinnati, Ohio

OKLAHOMA

Mr. Wayne Liles
KWTV Radio
Oklahoma City, Oklahoma

Mr. Ken Root
KTVY-TV
Oklahoma City, Oklahoma

SOUTH DAKOTA

Mr. Gene Williams
WNAX Radio
Yankton, South Dakota

TEXAS

Mr. Ernie Houdashell
KGNC Radio
Amarillo, Texas

Mr. Charlie Rankin
KURV/KESI
Edinburg, Texas

Mr. Joe Brown
Texas State Ag Network
Fort Worth, Texas

Mr. Roddy Peeples
Voice of Southwest Agriculture
San Angelo, Texas

VIRGINIA

Mr. Bill Ray
Atrinet Farm Network
Earlysville, Virginia

WISCONSIN

Mr. Jerry Urdahl
WAXX/WEAU-TV
Eau Claire, Wisconsin

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Black Caucus Dinner 9/30/78

Ch Parren Mitchell - VC Shirley Chisholm
Brothers & Sisters

Black Churches → LEADERS

Button → John Conyers = HH - Horse - Sparrow

MLK jr = LIFE / Hum Rts. / MEDAL of FREEDOM

Body - SPIRIT - RACISM - HUNGER - WAR

OTHER GREAT SERVANTS of God

BLACK CAUCUS CONTINUE TRADITION

20 Mos.

~~ERA~~ ~~GOV/UNEMP - Hi SINCE DEPRESSION~~

BILL BERKMAN INFL - WORST SUSTAINED IN MEMORY

~~CIVIL RIGHTS~~ - ~~CUTBACKS~~

~~8 YRS NEGLECT HUMAN SERVICES~~

~~DECENT DAYS CIVIL RIGHTS LAWS UNENFORCED~~

~~ELEANOR WOMEN WITHOUT EQUAL RIGHTS~~ ERA

~~GOV'T CONTRACTS - NOT TO MINORITY FIRMS~~ 3%

PAT HARRIS ~~CENTRAL CITIES → URBAN POLICY~~

WASTE / MISMGMT. HOUSING BUDGET DEFICITS

MARY BERRY ~~EDUCATION NEGLECTED FOR POOR~~

ANDY YOUNG FOREIGN POLICY DIGNITY, HUMRTS, PEACE

CLIFF ALEXANDER V'NAM - BLACKS, POOR → PEACE

~~CENTRAL CITIES~~

"MY FEET ARE TIRED, BUT MY SOUL IS RESTED"

TOO IMPATIENT - AMBITIOUS

CLARENCE MITCHELL
WASH DC

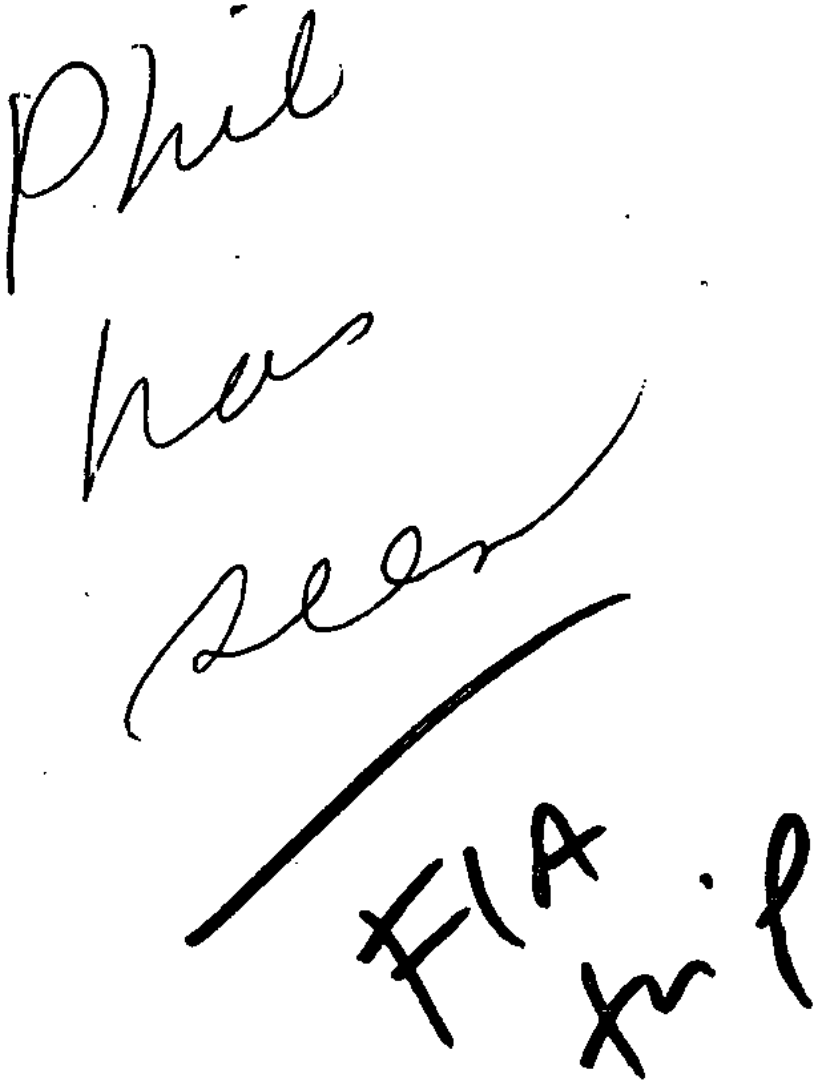
BARBARA JORDAN / BOB NIX / YVONNE BURKE ALL GEN

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UNEMP 6 1/2% - ↘ 25%. $66,L YOUTH EMP
CETA 3X : JOB CORPS 2X
FOOD STAMPS
HUMPHREY/HAWKINS : MUST - FULL EMPL
EVERY MAN, EVERY WOMAN WILL/ABLE

THE WHITE HOUSE
WASHINGTON

BAKKE - RACE - GOVT AFF ACTION


Phil
has
seen
FLA
trip

BREAKFAST

6:30 A.M. TO 11:30 A.M.

May we suggest you order tomorrow's breakfast before retiring tonight.
Please use the preorder card hanging on your door.
For your convenience a gratuity is included in the price of your breakfast.

Each breakfast includes the following:
chilled Florida orange juice and
Choice of: coffee, tea, hot chocolate, milk

THE YOSEMITE BREAKFAST
two scrambled eggs with potatoes and warm breakfast muffins 3.15
with bacon, sausage or ham 4.25

THE YELLOWSTONE BREAKFAST
three egg ham omelette with potatoes and warm breakfast muffins 4.25

THE COLUMBIA BREAKFAST
French toast sprinkled with cinnamon sugar 3.40
with bacon, sausage or ham 4.50

THE GREAT SMOKIES BREAKFAST
two scrambled eggs with smoked salmon, toasted bagel,
cream cheese and sliced onion 5.00

THE CONTINENTAL BREAKFAST
choice of: danish pastry, english muffin, cereal with milk, or toast 2.55

ALL DAY DINING

11:30 A.M. TO 12 MIDNIGHT

APPETIZERS

Chilled Florida Orange or Grapefruit Juice	.70
Tomato Juice or Welch's Grape Juice	.70
Gulf Shrimp or Crabmeat Cocktail	3.95
Supreme of Seasonal Fruit	1.50
Cottage Cheese and Sliced Pear	.95
Chicken Vegetable Soup	.95
French Onion Soup	.95

SALADS

Tossed Green Salad .95
choice of dressing

Sunburst Salad 3.50
florida orange and grapefruit sections, strawberries, melon,
and cottage cheese on romaine lettuce served with brown bread
and cream cheese

Grand Canyon Chef's Salad 4.25
julienne of ham, turkey breast, and swiss cheese with tomato
wedges and egg slices on a bed of lettuce

BEVERAGES

Hot chocolate	.50	Diet Pepsi	.50
Milk	.50	Sprite	.50
Tea	.50	Fresca	.50
Coca Cola	.50	20 ounce pot of coffee	1.00
Pepsi Cola	.50	32 ounce pot of coffee	1.50

for your boat cruise we will be glad to provide you with luncheon, snacks or cocktails.
for information please touch 5 on your telephone.

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for Preservation Purposes

SANDWICHES

COLD

Sliced Roast Beef 2.95
on kaiser roll, creamed horseradish, potato chips

Turkey and Bacon Club 2.75
triple decker with lettuce, mayonnaise and potato chips

The Monorail 3.50
open-faced array of ham, breast of turkey and swiss cheese on dark rye bread, thousand island dressing

Lox and Bagel 3.95
smoked salmon, bagel, cream cheese and sliced onion

HOT

Deluxe Hamburger on Kaiser Roll,
long branch fried potatoes 2.95
with cheese 3.25

Grilled Reuben 2.95
corned beef, swiss cheese, sauerkraut, thousand island dressing on rye bread and long branch fried potatoes

Italian Meatball Submarine 2.95
with tomato sauce, provolone cheese and long branch fried potatoes

Broiled New York Strip Steak on French Bread, 6.50
long branch fried potatoes

DINNER

SERVED FROM 5:30 TO 12 MIDNIGHT

ENTREE SPECIALTIES

the following dinners served with tossed green salad, rolls and butter

Broiled Long Island Duckling 9.75
with sauce armagnac, wild rice

Italian Spaghetti 4.25
served with meatballs in tomato sauce, grated parmesan cheese and garlic bread

Vegetable Platter 3.95
poached egg on a bed of rice, broccoli with cheese sauce, broiled tomato, green beans and baked potato

Filet of Pompano en Papillote 10.75
florida fish garnished with sliced mushrooms and baby shrimp, sealed in parchment and baked in its own natural juices garden vegetables

Broiled New York Strip Steak, 10.95
baked potato and garden vegetables

Southern Fried Chicken 4.75
three pieces of golden fried chicken, long branch fried potatoes

Sautéed Lamb Chops 8.25
garden vegetables, baked potato, mint sauce

CHILDRENS SELECTIONS AVAILABLE UPON REQUEST

DESSERTS

All American Apple Pie	.95
Strawberry Cheesecake	1.25
German Chocolate Cake	.95
Fresh Fruit with Yogurt Sauce	1.75

COCKTAIL SNACKS

Iced Gulf Shrimp Bowl 15.90
(2 dozen), cocktail sauce

Platter of Pretzels, Mixed Nuts, and Fritos 2.50

Sharp Cheddar Cheese Crock with Assorted Crackers 7.50

Crabmeat Royal Street (per dozen) 7.50
poached mushrooms filled with deviled crabmeat, topped with parmesan cheese and baked to a golden brown

Fresh Fruit Basket 7.50
an array of fresh seasonal fruit, candy, gruyere cheese

Gourmet Cheese Tray 14.50
an assortment of cheese spreads, semi-soft and hard cheese with table wafers

COCKTAILS AND BEER

COCKTAILS AND CORDIALS	2.00 - 3.00
COCKTAILS BY THE PITCHER	8.00 - 12.00
BOTTLED BEER: domestic	1.00
imported	1.25

BOTTLED SPIRITS

(FIFTHS)

SCOTCH		BOURBONS	
Dewars	16.50	Old Forester	15.50
Johnnie Walker Black	18.00	Jim Beam	11.00
Chivas Regal	19.75	Early Times	11.50
J & B	16.00	Old Grand-Dad	14.25
Cutty Sark	16.50	Jack Daniel's	16.50
Black & White	15.75	**BLENDS**	
GIN		Canadian Club	15.25
Beefeater	14.75	Seagram's Seven Crown	11.50
Tanqueray	14.75	Seagram's V. O.	15.25
Gordon's	10.50	**RUM**	
VODKA		Bacardi Silver	11.00
Smirnoff	11.25	**BRANDY**	
		Christian Brothers	11.25

bar set-ups and bartenders are available upon request. for your convenience a 15% gratuity will be added to the price of a bar set-up

WINES

	Full Bottles
CHAMPAGNES	
017 Great Western, Extra Dry Pleasant Valley	10.50
023 Dom Pérignon, Möet & Chandon	45.00
IMPORTED RED	
041 Beaujolais-Villages, Louis Jadot	8.75
038 Margaux, Ginestet	10.75
DOMESTIC RED	
032 Zinfandel, Ridge	11.25
033 Cabernet Sauvignon, Beaulieu	11.25
IMPORTED WHITE	
068 Chablis, Moreau	11.50
076 Liebfraumilch, Blue Nun, Sichel	7.00
DOMESTIC WHITE	
059 Fumé Blanc, Mondavi	9.25
062 Johannisberg Riesling, Alexander Valley	10.50
ROSÉ	
054 Lancers Rosé	7.25

our complete selection of wine is available upon request

to our guests-florida state beverage law prohibits the possession or consumption of alcoholic beverages by any person under the age of 18. thank you for your cooperation.