

[Camp David 7/5/79-7/12/79] [6]

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| memo | From Brown to The President (2 pp.) re: Activities of the Sec. of Defense/enclosed in Hutcheson to Brzezinski | 7/6/79 | A |

FILE LOCATION

Carter Presidential Papers. - Staff Offices, Office of the Staff Sec.- Pres. Handwriting File [Camp David 7/5/79-7/12/79] [6] BOX 138

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THE WHITE HOUSE
WASHINGTON

rick --

"out" from camp david

--SSC



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

Q

July 12, 1979

MEMORANDUM FOR THE PRESIDENT

THE ADMINISTRATOR

The U.S. has 11 trillion barrels of natural gas and 75 billion barrels of heavy oil we have only just begun to tap. These reserves, along with our more widely recognized supplies of coal, shale oil and geothermal mean that we have adequate energy resources. The real question is how we can best use these resources.

Natural Gas

I am particularly encouraged by the prospects for "unconventional" gas. I want to make sure that the cautious DOE estimates used in your options paper do not obscure the larger promise I think these formations hold. If our estimates prove correct, a serious commitment to develop this new gas now will give the country 1 to 2 million barrels a day more gas than the 750,000 barrels a day the options before you predict by 1990.

We have been advised by the gas industry and by DOE consultants working in this area that we could speed the development of these new gas deposits very significantly by:

- 1) helping develop needed new technologies
- 2) mapping the reservoirs to help target and reduce the risks of exploration.

We believe a small additional investment of \$25 million a year will yield at least several hundred thousand barrels per day of added production. Such a program is not included in the proposal before you, but we will work with your OMB staff on the issue.

These new sources of gas are broadly attractive. They are less expensive than synfuels (\$25 a barrel, as opposed to \$40), require less capital, and are less likely to suffer rapid cost escalation. Except possibly for geopressurized methane -- and our estimates assure no production from this source -- there are no serious environmental problems in drilling; and gas is cleaner to use than any other type of fuel.

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for Preservation Purposes**

Synthetics

Synfuels are important both politically given current Congressional expectations and in order to further diversify the country's sources of energy supply. However, these plants and their products pose difficult environmental and public health risks:

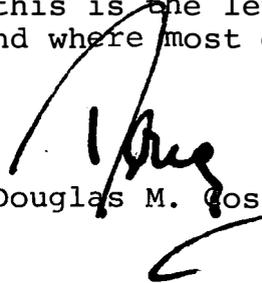
- * Demonstrated high levels of cancer among those exposed to analogous industries.
- * Highly toxic organic compounds as by-products and wastes.
- * Products with phenolic and polynuclear compounds that may prove dangerous when burned.

We must make sure our synfuel plants are designed and built with effective controls from the beginning. This is important both to protect the public and to insure continuing public support for our synfuels program once the current wave of enthusiasm is past.

Finally, and for much the same reasons, I urge you to structure the Energy Mobilization Board to speed regulatory action without weakening its substance. Environmental safeguards deal with real problems we should not ignore. You should not let the Board preempt substantive decision-making:

- * If you do, you will have to build a large staff since each major permit requires a large, technical staff effort.
- * Plant-by-plant controversies are better left delegated than brought close to you and your own office.
- * Such a "political court of last resort" will be easily misunderstood.

To deal with delay effectively, the Board will have to deal with state and local permitting. Although this will be politically difficult, this is the level at which most permitting is done and where most delay occurs.


Douglas M. Costle

from Jim King -- re Friday Morning

(First Group)

(host) ----Mr. and Mrs. Marvin Porterfield
200 North Red Hill Road
(304) 263-9438

*Marshallburg,
West Virginia*

Early 60's. Retired Marine Officer from this community, as have been three generations of his family. Democrat. Wife is retired school teacher from local school system. Activist in Common Cause and other smaller community type groups. Confined to wheelchair.

7/13/79

Dr. and Mrs. Failing
Early 30's....new in area. Optometrist.

Mr. and Mrs. John Miller (Wife: Jane)
Mid 30's. Orchardist (apples and peaches). Inclination in interior decoration. Both are artsy/craftsy. Lived in Washington for a while, but was born and raised in area. Republican.

Mr. and Mrs. James (Jim) Martin (Wife: Ann)
Early 50's. Retired executive. Wife had been WAVE Officer during WW II. Family has been around area for a while.

Mr. and Mrs. Sprague ("Peté") Hazard (Wife: Sally)
Early 30's. Sally's father is Democratic state senator for district. Her maiden name is "Steptoe".

from Jim King -- re Friday

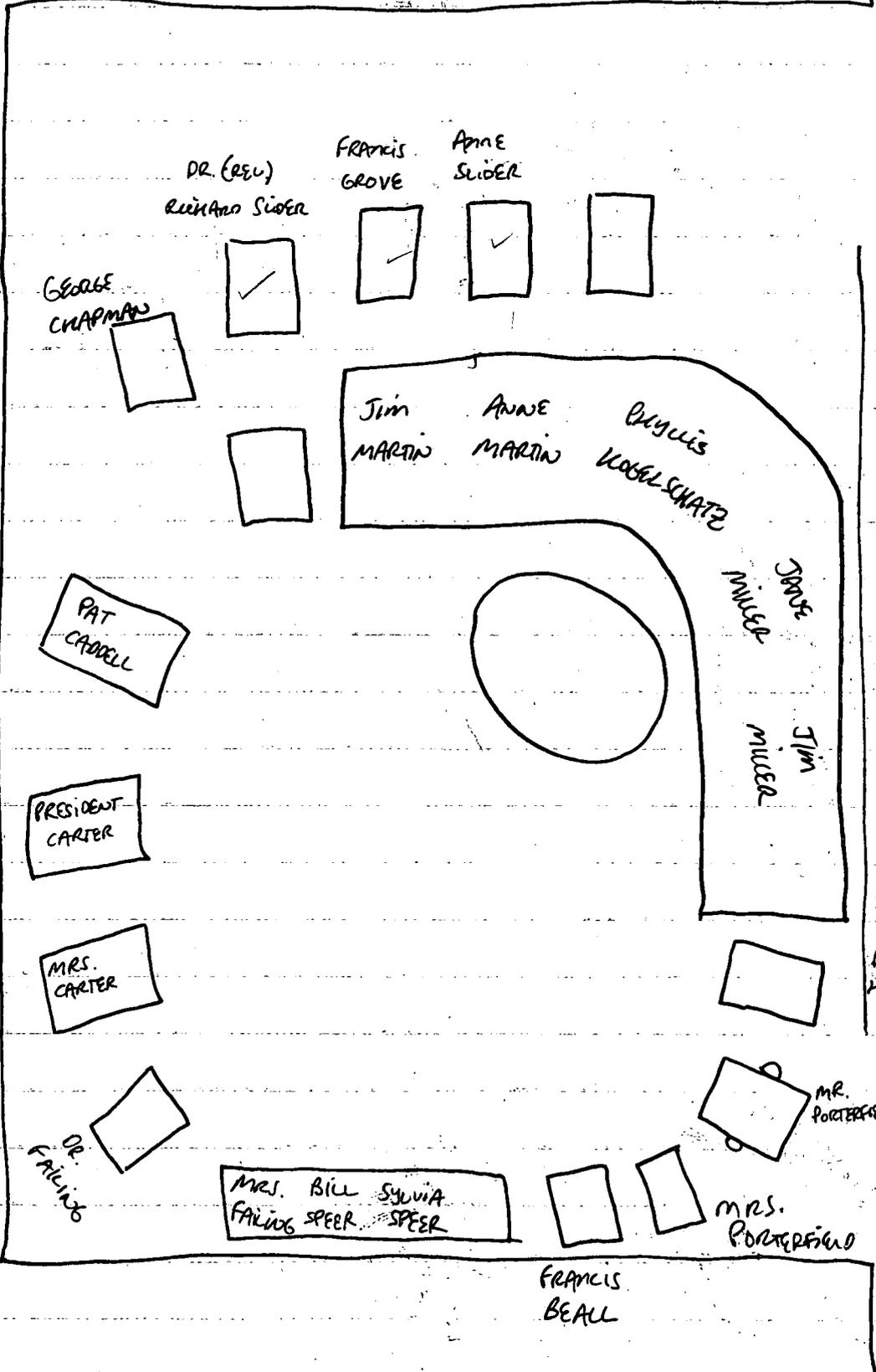
Second Group

Dr. and Mrs. Slider (The Reverend)
Early 60's
Minister of Presbyterian Church. Originally from Texas.

Mrs. Phyllis Kogelschatz
Widow, 61 years old. Retired teacher.
Husband's family runs local funeral home.

Mr. and Mrs. William ("Bill") Spear
Retiree; mid 60's. Originally from Nebraska. Former
lobbyist for Standard Oil of Indiana. Operated in
Washington for a while. "Certifiable Fascist Pig."

Mr. and Mrs. Campbell Beall
She is art teacher for county (travels in job). He is
local businessperson. President Carter appointed him
in March of 1979 to Advisory Committee to White House
Conference on Libraries and Informational Science.
This Committee will have a White House Conference to be
held this fall in Washington. Charlie Benton is Chairman
of the Conference. Beall was recommended by both Senators
Byrd and Randolph. However, his appointment is a "fallback":
he wanted to be on the full board; wasn't room; was put
on Conference.



MARTINSBURG, W. VA.

POPULATION - 14,073 (1976) / 16,000 in 1970

BERKELEY COUNTY SEAT - CO. POPULATION - 41,000 / (36,356 in 1970)

CHARTERED IN 1778 - CELEBRATED 200TH BIRTHDAY IN 1978

SPLIT LOYALTIES DURING WAR BETWEEN THE STATES - RAISED 5 CONFEDERATE COMPANIES,
2 UNION.

AGRICULTURAL UNTIL LATE 19TH CENTURY - B + O RAILROAD +
IND. REVOLUTION TURNED INTO AN INDUSTRIAL TOWN. WAS A MILL
TOWN UNTIL RECENT COLLAPSE OF TEXTILE INDUSTRY - ONLY 750 ARE
NOW EMPLOYED IN TEXTILES. OTHER FIRMS + FED. GOVERNMENT HAVE TAKEN UP
SLACK.

UNEMPLOYMENT (BERKELEY CO) - ^{JEFFERSON +} 4.0% AS OF DEC. 1978 1,070 PEOPLE

PER CAPITA INCOME - \$5,278

UNEMPLOYED

CHIEF EMPLOYERS IN AREA:

OF EMPLOYEES

FEDERAL GOVERNMENT - BAKER V.A. HOSPITAL - 1,200
+ STATE

INTERNAL REVENUE SERVICE - 340

W. VA. AIR NATIONAL GUARD - 201

OTHER - MUSSELMAN DIVISION - PET, INC. (FRUIT) - 1,000*

GENERAL MOTORS - (PARTS DISTRIBUTION) 954

ALSO - NATIONAL FRUIT PRODUCT - 540*

CORNING GLASS WORKS - 910

* - SEASONAL

DUPONT - (EXPLOSIVES) 475

FRUIT (APPLES + PEACHES) IS THE CHIEF AGRIC. PRODUCT.

BERKELEY COUNTY IS 96% WHITE, 60% SUBURBAN, 40% URBAN.

61% OF POP. OWN HOMES

C

THE WHITE HOUSE

WASHINGTON

July 12, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Response to Your Comments On the
Decision Memo

Herewith are my comments on and answers to the points which you raised: (OMB shares all of these views.)

1. Page 3
1. Public presentation of the low-cost path for oil prices will pose serious problems since it will mean that the costs of developing synthetics using a price guarantee mechanism will appear to have astronomical budget costs far in excess of trust fund revenues.
2. We have made public projections about OPEC prices before, using similar figures. In the NEP II document and the April 5 message and its supporting documents we published high and low price paths to show what the different receipts would be in the energy security trust fund. The high price path in the April 5 document assumed (before the June OPEC increases) the same 3% real price increase the Task Force memo assumed.
3. We do not need to show the oil price assumption beyond 1990 in any public documents. This avoids the problem of showing any OPEC prices over \$30/barrel, and implying that prices will rise steadily in the 1990s.
4. We think the best thing to do is slightly lower the 3.2% growth projection (probably to just under 3%) to avoid a large surplus in the trust fund. This would be consistent with other published figures. This approach will avoid giving Senator Long a surplus to justify cutting back the windfall tax, and also avoid the large trust fund deficit created by the low-price path. Note that none of your advisers believe the low-price path is realistic. We see no alternative to using a realistic price path since this is critical to the amount of windfall tax/trust fund revenues.

2. TABLE 3

Every informed expert estimate that we have seen, including John Deutsch's (DOE) estimate, is \$30-\$40 per barrel for synthetic liquids from coal. We have chosen the upper end of the range for two reasons:

a. We are purposely being cautious not only in this area, but also in terms of the savings we expect from conservation, fuel switching, and production of unconventional oil and gas.

b. Since all capacity will have to be put on line by 1990, and since the principal financing device used by the corporation will be price guarantees or government-buys, there is every reason to expect that the pressures on price for synthetics will be significant on the upside. However, if you wish, we can take the mid-point of the range, namely \$35, recognizing that it in fact may cost more.

3. Offshore

I have called Secretary Andrus and he will provide some figures on this, which we will relay to you shortly.

4. Nuclear

For purposes of the inter-agency study, we have made the assumption that on-line nuclear capacity will triple by 1990. This projection -- done by DOE -- was made prior to the Three Mile Island incident and assumed resolution of licensing and waste issues. This projection assumes that all plants now in the permitting process or firmly committed to by utilities' in their planning projections will be built and operating by 1990. We are not assuming nor do we or DOE believe it is reasonable to assume new nuclear orders beyond this level, particularly given the Three-Mile Island incident.

Note that closing a 1000 m.g. nuclear plant means an additional 50,000 barrels per day of oil use -- which shows the trade-off involved.

5. TABLE 4

See the first point above, in which we will recompute the Medium price path to avoid showing a substantial surplus.

6. Page 7 & 8

I think your comment is accurate that OPEC may lower production to match demand. This is an additional reason for using a realistic price path for future OPEC increases and is a major underpinning for a synfuels strategy.

7. Page 9

You are correct -- this is an inexplicable typographical error. This does not affect any other tables or assumptions.

8. Page 14

This program does not depend on the initiative of the utilities but rather the consumer. When a consumer asks a utility to make them a loan for a conversion the utility is mandated to do so. Note however, that this is intended to be a conservation program -- not a program principally designed to convert homes from oil to natural gas, although that would be an eligible activity. We think it is a sound program. It would be difficult in the current timeframe to come up with a major alternative initiative, or a separate one to force oil to gas conversions.

9. Page 15

The 65% option is fine. DOE has proposed even higher numbers to fund this and the figures shown here are at the low range for what can do the job. We will do more work on the higher dependence on loans which you suggest.

10. Solid Coal

In your FY'80 budget, as well as in the April 5 initiatives, a number of programs have been proposed to clean-up coal. Among these are the SRC-I process which results in cleaner solid fuel, and substantial research and development expenditures on coal cleaning atmospheric and pressurized fluidized bed boilers and stack-gas cleaning (scrubbers -- wet and dry). This is already included in the base assumption of increased coal use and therefore in the projected oil imports levels for 1990.

11. Advisory Committee

Prior to receiving your comments, I likewise felt a need for a "blue ribbon panel", which could be announced in the speech or the message. I have talked with

Lynn Coleman of DOE who is raising the issue now with the Secretary. They would prefer to have it as an advisory committee to the Secretary of Energy. Obviously if it is an advisory committee to you personally, the Secretary of Energy should sit on it. I think you should indicate that it would be a blue ribbon committee of distinguished scientists, academicians, and energy experts serving you and DOE jointly.

12. Page 20

Your point on similar plants would probably not work for the following reasons:

Since we are trying to build all of these plants by 1990 we will not have the advantage of seeing the first generation plant operate before a later generation of cheaper plants could be built. In fact, it is very likely that the cost per plant will rise beyond the first million barrels of capacity because we will be straining the capacity of the economy to produce the materials needed to construct these plants.

13. Page 21

The comparison to oil is 1.7. However, the reason we used gas was to compare synfuels with other alternatives to oil which are candidates for investments (e.g. gas from Mexico, Canada, and unconventional domestic gas.) The 2.3 ratio is among the reasons we recommend a continued emphasis on gas as well as synthetics.

14. Page 24 - 50¢ tax credit

First, if you are searching for an alternative to the tax credit, we recommend a price guarantee rather than a federal buy, since the U.S. government uses very little natural gas. We continue to feel, however, that a tax credit is the preferable mechanism for encouraging unconventional gas -- because much of the exploration and development is and will be done by small independent companies, who have little patience and less experience in dealing with the federal government on issues as complex as negotiating price guarantees. The tax credit is the fastest and best mechanism for encouraging production of the unconventional gas which is close to being economic today.

If you wanted to push even harder on unconventional gas -- particularly where new technologies are expensive -- you may want to consider in addition to the tax credit adding price guarantee authority for unconventional gas to the list of eligible activities for the corporation, so that price guarantees would be available. If you choose this course then we would urge that, as with oil shale, companies be eligible to receive either the tax credit or the price guarantee, but not both. This would be fine with us.

15. Page 30

As we indicated in the decision memorandum, the DOE-preferred option (either C or D) actually exceeds the synthetics fuel production target established by the Moorhead Bill. This is because the Moorhead Bill explicitly defines heavy crude oil as a synthetic; it technically is not a synthetic, and we have not counted it that way in any of the options presented to you. Consequently, the 500,000 barrels of heavy oil to be produced under Option B, C or D add to our anticipated synthetic production. Thus, on a Moorhead Bill basis, Option B would include 1.5 MMB/D of synthetic production, Options C and D 2.5 MMB/D. In choosing the DOE-preferred option, you would go beyond the Moorhead Bill target.

We recognize that there is real political value in proposing a program at least equal to the Moorhead level; but we also are persuaded 1) that your program must be credible and feasible enough to survive intense scrutiny over the next several weeks and months, and 2) that an unqualified target that amounts to 2.5 MMB/D will not survive that scrutiny. Questions are being raised already (see attached press clips), and this examination will intensify as soon as you announce your program.

Because of our concern, we called John Deutsch, the acting Under Secretary of DOE and a scientist who is expert in these areas. He agrees that a 2 to 2.5 MMB/D goal is technically very uncertain.

We do believe, however, that you need a credible program that can match the Moorhead level not only in terms of import reductions (where you double the level), but also in terms of synthetics production. Therefore, we urge that you set a goal for the corporation of 2 MMB/D of synthetics by 1990, that you commit the corporation to achieve at least 1 MMB/D by 1990 and budget at that level, and that you announce that you expect the corporation to report back within a time certain on whether and how we can reach the 2 MMB/D goal and at what cost.

Since the 500,000 B/D of heavy crude production included in all options is additive to those numbers, on the Moorhead basis you can take credit for a definite commitment to 1.5 MMB/D and a goal of 2.5 MMB/D -- more than Moorhead. John Deutsch privately agrees that this approach makes the most sense, although Schlesinger does not agree.

We did not delete the conservation elements in Option C. Option C was the DOE option in which they did not include conservation element because they argued we should not get into a Congressional battle over the conservation elements and because they wanted to have a more pro-production option. It was only on the day the memo was forwarded to you that DOE changed its mind and suggested adding the conservation elements. Rather than redesign the entire set of options and delay sending this memo to you, we reflected the DOE option and simply indicated the belated DOE position.

16. Page 35 - Energy Bonds

We are obviously pleased with your decision to take Option 2. I would point out that I think the Energy Bonds are a good patriotic point to stress in your speech.

17. Page 36 - International Cooperation

We will work with Henry Owen, Treasury and State to develop other options for international cooperation.

18. Page 39 - Nuclear

The NRC is an independent regulatory agency and it makes its own decisions. Particularly in the present climate, we should not ask Congress to jeopardize that independence.

Our nuclear siting and licensing proposal is a separate proposal adjusted to the unique problems which apply to nuclear power plant permitting. The types of projects which the EMB will be dealing with will be of an entirely different nature.

3rd bullet

We share your concern about fiscal assistance to the states and this is why we did not recommend this option.

19. Page 43 - Presidential Concurrence

A strong EMB is absolutely critical to a successful program for synfuels, and also to other critical energy projects (such as pipelines and major refineries) which will have to be constructed in order to meet our import reduction goals. On these grounds we would recommend no change in our original recommendation, so that there would be room for Congress to move in the direction of environmental interests and still produce an effective EMB. If you feel that additional protections are needed in the Administration proposal, we would recommend that judicial review be included (with an expedited procedure) as you suggest, but that Presidential involvement be omitted. On principle, we believe that White House involvement in sensitive and technical decisions such as these is questionable as a policy matter. Politically, it would put any President in an extremely difficult position.

20. Quotas

We assume in your comment on quotas that you are taking the unanimous recommendation of agencies not only to announce the 1979 and 1980 quota levels but to state a policy that we meet future targets, although these targets would not now be given on a year-to-year basis.

For dramatic purposes, Secretary Blumenthal and Henry Owen are interested in announcing a quota level which would reduce the 1979 and 1980 net import levels to which you committed at Tokyo from 8.5 MMB/D to 8.2 MMB/D. They are concerned that we could not credibly claim that import quotas for 1979 and 1980 set on the basis of 8.5 MMB/D net imports will have a bite if our current net import projections are in the neighborhood of 8.2 MMB/D (including an allowance for resumed SPR purchases). We are working with Lyle Gramley, Jim Schlesinger, Henry and Mike to see whether setting a quota level below the level of the Tokyo commitment makes sense -- including a review of the likely import levels.

THE WHITE HOUSE
WASHINGTON
12 Jul 79

Frank Moore

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

Rick Hutcheson

2937

FOR ACTION
FYI

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THE WHITE HOUSE
WASHINGTON

done
J

July 10, 1979

MEMORANDUM TO THE PRESIDENT

THROUGH: Phil Wise
FROM: Frank Moore *F. M. / [unclear]*
SUBJECT: Call to the Speaker Regarding Department of Education

As a result of today's work on the Department of Education, including yours and the Vice President's calls to Danny Rostenkowski, the Vice President's calls to several other House Members, direct contact on the Hill by White House CL, OMB and others, we sense that support among Democratic Congressmen for our proposed Department of Education is growing softer each day. Furthermore, we are convinced that the Speaker is the one person who can -- if he really tries -- solidify support for the bill. While Rostenkowski has agreed to call 20 or more Members that we have suggested, and while other key Members such as Brademas, Burton, Chairman Brooks and others are giving us varying degrees of support, it is the Speaker to whom many Democrats will look for leadership and commitment on this issue.

For that reason, the Vice President and I agreed that you should call the Speaker sometime Wednesday morning before the Department of Education bill is brought to the floor for action, which we expect will be sometime in the early afternoon.

cc: The Vice President

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for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON
12 Jul 79

The First Lady

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

Rick Hutcheson

2944
Original to First Lady

Has info J

THE WHITE HOUSE
WASHINGTON

July 9, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: ESTHER PETERSON *EP*
SUBJECT: Consultation

During the wide ranging consultation on domestic policy issues this week, which I applaud, the Administration can strengthen acceptance of new proposals by inviting two or three persons identified with consumer groups and organizations. I would suggest Rhoda Karpatkin, Executive Director of Consumers Union, who is well respected among consumerists, and Bar Alperovitz, a knowledgeable leader and organizer of COIN who seeks answers to problems rather than confrontation. I could accompany them and present a balanced view of consumer concerns and support.

In addition, one component of the program you announce should include acknowledgement of self-help as an integral part of the Administration's philosophy. Community groups are reducing the costs of energy, food, housing, transportation, and health care through self-help projects, but many are acting out of desperation and a sense of alienation from their government... "Since the government won't help us, we'll help ourselves."

We can capitalize on this trend by heightening our support of self-help efforts. Many on-going government programs now support community efforts through technical and financial assistance. An announcement of the Administration's commitment to increase support of these activities would emphasize your desire to speed development of alternative energy sources and inflation-fighting initiatives. People would see their government as a responsive partner -- applauding their efforts and supporting greater self-sufficiency. It offers the average citizen a practical way to respond to your new energy and economic policies.

The President

2

The Domestic Policy Staff has already surveyed selected Cabinet departments and their current role in helping to facilitate self-help programs on the local level. Mrs. Carter continues to show great sensitivity to the self-help movement, as evidenced by her planned trip later this month where she intends to visit many urban and rural self-help projects which our office has helped identify in the process of preparing a workbook of case studies. Recent major publications attention has been given to these activities as a new social and economic force.

cc:

Walter Mondale
Hamilton Jordan
Stuart Eizenstat
Jack Watson
Anne Wexler
Gerald Rafshoon

FOR ACTION
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both received

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THE WHITE HOUSE

WASHINGTON

July 10, 1979

MEMORANDUM FOR: RICK HUTCHESON
FROM: ESTHER PETERSON
SUBJECT: Proposed Consumer Invitees

In the memorandum yesterday to the President recommending that he meet with consumer representatives during the Camp David consultation, I inadvertently left out one name. Could you add Tim Ryles, Director of the Georgia Office of Consumer Affairs, and President of the National Association of Consumer Agencies. These are the state agencies which work closely with the Governors.

THE WHITE HOUSE
WASHINGTON

7/11

Per Mike Chanin, Lester's
request was considered by
HJ, SE & AW. It was
decided that it was NOT
necessary to ~~write~~ involve
the President with it at
his time. These groups
would be brought in

later. He talked with
Kieren's DD about it.

—

DD

IMMEDIATE
PRECEDENCE

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FROM: ESTHER PETERSON
TO: STU SIZENSTAT FOR THE
PRESIDENT
THS VICE PRESIDENT

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SPECIAL INSTRUCTIONS:

THE WHITE HOUSE

WASHINGTON

July 9, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: ESTHER PETERSON *EP*
SUBJECT: Consultation

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cc:

Walter Mondale
Hamilton Jordan
Stuart Eizenstat
Jack Watson
Anne Wexler
Gerald Rafshoon

THE WHITE HOUSE
WASHINGTON
12 Jul 79

Tim Kraft
Arnie Miller

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

Rick Hutcheson ,

FOR ACTION
FYI

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THE WHITE HOUSE

WASHINGTON

July 5, 1979

C
7/17/79
at (copy) David
M

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT ^{TK}
ARNIE MILLER ^{AM}

SUBJECT: Federal Home Loan Bank Board Chairmanship

The Federal Home Loan Bank Board supervises and regulates savings and loan associations, operates the Federal Savings and Loan Insurance Corporation, and directs the Federal Home Loan Bank System. It is a three member, bipartisan board. You appointed Anita Miller as a Democratic member in March 1978, and Andrew A. DiPrete as the non-Democratic member in April 1, 1979. As a result of Bob McKinney's resignation, you must nominate a Democratic member and designate a new chairman. We have been working with Bob McKinney, and with Orin Kramer of Stu's staff, Lyle Gramley of the Council of Economic Advisors, and Steve Friedman of Treasury who helped to develop your financial reform package.

Four candidates have emerged.

Anita Miller, as a sitting member has direct experience with the Bank Board and its operation. She, therefore, will not need any start-up time to take over. Her earlier work in housing and urban development at the Ford Foundation and her service as member of a Bank Board advisory council give her a good understanding of the industry. She is clearly supportive of your recent financial reform proposals. However, some people have questioned her ability to be as effective a salesperson for them as Janis. For example, in meetings last week with Orin Kramer, of Stu's staff, she agreed to support a key point regarding the implementation of your reform proposals. However, her subsequent written testimony before the Senate Banking Committee did not live up to that agreement. She articulated the Board's position which is different from the Administration's. She later attributed the discrepancy in her testimony to poor staff work. Whatever the reasons, the result was that her testimony conflicted with our policy and her earlier agreement.

Ms. Miller's major responsibility with the Board has been in the area of neighborhood reinvestment and as such, she

has developed a good reputation among consumer and civil rights groups.

Until quite recently she has had limited opportunity to deal with the larger financial and macro-economic issues of industry regulation. Bob McKinney did most of that himself. She does, however, get consistently high marks for being a quick learner. While Miller has less management experience than some of the other candidates, she is highly respected by the Bank Board's staff. She has developed some support in the industry which perceives her as fair-minded. Her candidacy for the Chair is strongly supported by Bob McKinney, Lyle Gramley, Charlie Schultz, and Sarah Weddington. Bill Miller also prefers her because he thinks you would benefit from naming a qualified woman. Steve Friedman concurs.

Jay Janis is currently Undersecretary of HUD. He knows the industry and the regulation of it from several very useful perspectives. He has served on the board of a large S & L in Florida, and has been a very successful home builder active in the national homebuilders organization. His credentials as a salesman are excellent. He knows Washington - the Congress, the special interest groups, the Administration, and is generally recognized as being a very able person. He was HUD's representative to the Reg. Q task force which developed your financial reform proposals. His vigorous opposition to many of those reforms has led some people (Bob McKinney and Lyle Gramley) to question whether Janis can now support the Administration's proposals. Janis argues that he was earlier representing Pat Harris' views, and that now he would promote the proposals adopted by you and sent to the Congress. We have questioned him very closely on this matter, and we believe him. Bob McKinney does too.

Because of Janis' close ties to the homebuilding industry which strongly supports him, we believe that he will be best able to promote your reform proposals. Additionally, we believe his administrative ability is more tested than Miller's and therefore he will be better able to implement the new policies. Finally, nominating Janis, would enable you to make a major appointment at HUD to replace him.

For these reasons, we recommend him. Stu and Pat Harris concur.

Two other people have also emerged and should be brought to your attention. Both are lawyers with experience in real estate development and/or savings and loans. Neither is familiar with the details of the Board's operation or the Administration's financial reform proposals. Both are bright men who have been very successful in their work.

Mitchell Cutler is a local attorney who is recognized as an expert in real estate and housing matters. He has, in his practice, been able to see the effect of regulation on the homebuilding industry. He is a very quick study. He has taken the time to learn about your reform proposals and is supportive of them. He has excellent judgment. In view of his inside understanding of Washington, and his political skill, he would be a good salesman for our proposals. His superior intelligence and energy would allow him to quickly overcome his limited management experience and lack of knowledge of the board's internal operation. Cutler has been an active supporter of yours. He is strongly supported by Congressman Ben Rosenthal, whose subcommittee has oversight responsibility, Calvin Guest and several State S & L leagues. Pat Harris also thinks very highly of him.

William Crotty, of Daytona, Florida is a very successful attorney who is involved in a number of business enterprises. He is the Chairman of a bank, the founder of a radio station and part owner of an automobile dealership. Crotty has not yet acquired an understanding of the major issues confronting the Board, but we are certain that he has the ability to do that. He is strongly supported by Bob Lipshutz, who compares him to Bob McKinney when you first appointed him - a very successful head of a financial institution; an early and active supporter of yours; a bright person with the ability to learn fast. Crotty is supported by his two Senators and other people in Florida. Reubin Askew and Dick Pettigrew, who know both Crotty and Janis, prefer Janis. While we agree with Bob about Crotty's record of success, we share the assessment of Orin Kramer, Steve Friedman and Lyle Gramley that Crotty would not be able to move in as Chairman and effectively promote your policies. He is not familiar with Washington, the major issues confronting the industry or the key elements of your new proposals. And unlike the circumstances at the beginning of your Administration, when you appointed McKinney, the new Chairman will not have the luxury of time to learn.

DECISION:

Designate Anita Miller as Chair

_____ ✓ J

Nominate Jay Janis as Member & Chair

Nominate Mitchell Cutler as Member & Chair

Nominate William Crotty as Member & Chair

**Electrostatic Copy Made
for Preservation Purposes**

ANITA MILLER
New York, New York

EXPERIENCE

1978 - Present Member, Federal Home Loan Bank
Board, Washington, D.C.

1972 - 1978 Senior Program Officer, Ford
Foundation

1964 - 1972 Staff Consultant, Union of American
Hebrew Congregations

EDUCATION

1949 - 1951 University of Michigan

1948 - 1949 Wheaton College

ACTIVITIES

Member, Advisory Council, Federal Home Loan Bank Board
Member, Benefits Management Committee, Ford Foundation
Member/Past President, Barnert Temple Sisterhood
Member, The Women's Forum

PERSONAL

White Female
Age 49
Democrat

JAY JANIS
Coral Gables, Florida

EXPERIENCE

| | |
|----------------|--|
| 1977 - Present | Under Secretary, U.S. Department of Housing and Urban Development |
| 1976 - 1977 | Senior Vice President for Management and Business Affairs. The University of Massachusetts |
| 1969 - 1975 | Co-Principal, The Janis Corporation & MGIC-Janis Properties, Inc. |
| 1966 - 1969 | Executive Assistant to the Secretary, U.S. Department of Housing & Urban Development |
| 1964 - 1966 | Special Assistant and Director of Housing and Urban Development |
| 1956 - 1964 | Co-Owner, Janis Construction Company and the Janis Corporation |
| 1954 - 1956 | Analyst, Office of Chief of Staff for Intelligence, U.S. Army |

EDUCATION

| | |
|------|------------------------------------|
| 1954 | Yale University, B.A., with honors |
|------|------------------------------------|

ACTIVITIES

President, Board of Trustees, Florida International University Foundation
Member of Board, Dade Federal Savings & Loan
Chairman, Community Relations Board of Dade County, Florida
Director, National Association for Home Builders
Chairman, NAHB Task Force on Land Use Policy
Board Member, National Committee Against Discrimination in Housing
Chairman, Governor's Council on State Housing Goals

PERSONAL

White male
Age 45
Democrat

MITCHELL S. CUTLER
Bethesda, Maryland

EXPERIENCE

| | |
|----------------|---|
| 1970 - Present | Partner, Danzansky, Dickey, Tydings, Quint and Gordon |
| 1974 - 1976 | Adjunct Professor of Law, Georgetown University Law School |
| 1972 | Consultant, Real Estate Advisory Committee to the Securities and Exchange Commission |
| 1966 - 1969 | Partner, Forman, Cutler, and Diamond |
| 1965 - 1966 | House Counsel for Disc, Inc. (national real estate investment organization) |
| 1963 - 1964 | Law Firm, Klagsbrunn, Haynes and Irwin |
| 1960 - 1962 | Special Assistant, the White House Office |
| 1958 - 1960 | Law Firm, Welch, Mott & Morgan |

EDUCATION

| | |
|------|--|
| 1958 | George Washington University Law School, L.L.B. (with distinction) |
| 1955 | Georgetown University School of Foreign Services, B.A. |

ACTIVITIES

Editor and Publisher, National Property Law Digests
Member, Finance Council of Democratic National
Committee

PERSONAL

White Male
Age 46
Democrat

E. WILLIAM CROTTY
Ormond Beach, Florida

EXPERIENCE

| | |
|----------------|--|
| 1958 - Present | Senior Partner, Black, Crotty, Sims & Hubka |
| 1971 - Present | Executive Committee, Trust and Marketing Committees, and Salary Committee of Sun Bank |
| 1974 - Present | General Counsel, Security First Federal Savings and Loan Association; National Association For Stock Car Auto Racing; Halifaz Hospital Medical Center; Sun Bank of Volusia County |
| 1972 - Present | Part Owner of the Mayan Hotel; the Acapulco Motel; the Islander Motel; and two other small motels |
| 1974 - Present | Part Owner of a warehouse develop- ment-Ecology Park |
| 1976 - Present | Part Owner of a warehouse develop- ment-Port Orange Business Park |
| 1976 - Present | Part Owner of Kelly Plaza Pontiac, Incorporated |
| 1971 - 1974 | Chairman of the Board of the Sun Bank of Volusia County |

EDUCATION

| | |
|------|---|
| 1967 | New York University Law School, LL.M. |
| 1965 | University of Michigan Law School, LL.B. |
| 1953 | Dartmouth College, B.A. |

ACTIVITIES

President, Daytona Beach Chamber of Commerce
Former Chairman, Florida Council for the Blind
Former Member, Judicial Nominating Council for
Appellate Judges
Member of the Bar Association

PERSONAL

White Male
Age 48
Democrat

THE WHITE HOUSE

WASHINGTON

July 3, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ *BJL*

RE: Appointment of a new Chairman to the Federal Home Loan Bank Board

I wish to urge that you appoint William Crotty of Daytona Beach, Florida, to the Federal Home Loan Bank Board, and consider seriously his designation as Chairman. As you are aware, should Crotty be appointed to the Board, then the two Democratic members from whom you likely would select the Chairman would be him and the present member of the Board, Anita Miller.

Bill Crotty is a lawyer-businessman whom I have known quite well for more than 15 years, and for whom I have the highest respect. He is extremely intelligent and has proven during his twenty-year career as a lawyer and businessman that he can be successful in a pragmatic way in anything which he undertakes. Furthermore, he was one of the very earliest active supporters whom you had in the State of Florida in your Presidential campaign, both politically and financially. Crotty is a solid family person, with seven children, and active in his Catholic church.

He has attained a degree of financial independence as a result of his own efforts and has been very anxious to become a part of this Administration for quite some time and in a significant manner.

A measure of his reputation in the State of Florida is that, even though Jay Janis of HUD also is a native of Florida, Crotty has the overwhelming backing for this appointment from Florida industry sources and political sources, including: both senators; nearly all the Congressmen; nearly all the Florida Cabinet; and the Speaker of the House.

In my judgment, Bill Crotty would serve the Administration better than any of the other prospective nominees. He is comparable to Bob McKinney in several key aspects. I am certain that he could master this job quickly and capably even though he does not come out of the Washington scene or the government bureaucracy as do the other suggested nominees -- and perhaps because he does not come out of that scene and bureaucracy!

THE WHITE HOUSE
WASHINGTON

2817

Date: July 5, 1979

MEMORANDUM

FOR ACTION:

FOR INFORMATION:

Tim Kraft
Arnie Miller

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: LIPSHUTZ MEMO RE APPOINTMENT OF A NEW CHAIRMAN
TO THE FEDERAL HOME LOAN BANK BOARD

also Copeland wants to see

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:
TIME:
DAY:
DATE:

ACTION REQUESTED:
 Your comments
Other:

STAFF RESPONSE:
 I concur. No comment.
Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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

THE WHITE HOUSE
WASHINGTON

July 3, 1979

Rick:

Please make sure this memorandum goes to the President along with Arnie Miller's memorandum of the same subject (I don't think you have Arnie's yet).

THANK YOU.

A handwritten signature in black ink, appearing to read 'Bob', with a stylized, cursive script.

BOB LIPSHUTZ

THE WHITE HOUSE

WASHINGTON

12 Jul 79

Jim McIntyre
Frank Press

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

Rick Hutcheson .

The original has been given
to Bob Linder for appropriate
handling.

FOR ACTION
FYI

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VICE PRESIDENT

JORDAN

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MCINTYRE

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ANDRUS

BELL

BERGLAND

BLUMENTHAL

BROWN

CALIFANO

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STRAUSS

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BUTLER

H. CARTER

CLOUGH

CRUIKSHANK

FIRST LADY

HARDEN

HERNANDEZ

HUTCHESON

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PETERSON

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PRESS

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ADMIN. CONFIDEN.

CONFIDENTIAL

SECRET

EYES ONLY



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

ok
J

ACTION

JUL 6 1979

MEMORANDUM FOR THE PRESIDENT

FROM: BO CUTTER/^{WL}FRANK PRESS *FP*
SUBJECT: Review of Space Shuttle Program

Supplied
7/11/79
at
Carry Forward

As you directed, we have worked with Bob Frosch in identifying three highly-qualified and independent technical and management experts to help Bob on the Space Shuttle program. The three candidates are:

- Levering Smith--retired Admiral, former manager of the Polaris/Poseidon programs--currently a management consultant.
- Robert Charpie--formerly President of Bell and Howell Co., currently President of Cabot Corp., and Chairman, Mitre Corp.--management expert.
- William Anders--former astronaut, former Chairman of the Nuclear Regulatory Commission, currently Vice President for nuclear manufacturing of General Electric--a very strong supporter of your space policy.

We have been very sensitive that the group be established in such a way as to preserve fully Bob Frosch's authority over the agency and to indicate your continuing confidence in Bob and the Shuttle program.

We believe that your private tasking memo to Bob Frosch should request a report by mid-fall which would include the inputs from these experts. (A memo for your signature is at Tab A.) These individuals are to be appointed by Bob Frosch as consultants to him.

A list of alternate candidates is at Tab B.

If you approve, the candidates will be contacted and asked to participate in the space shuttle program review.

Attachments

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for Preservation Purposes**

A

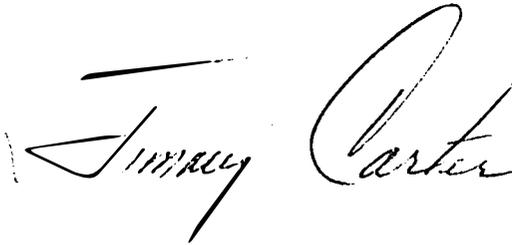
THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR: HONORABLE ROBERT FROSCH
ADMINISTRATOR
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

The timely development and deployment of the Space Transportation System is of great importance to future civil space programs and to the national security. I recognize the many difficult challenges you and the NASA staff now face in dealing with the technical and managerial problems that must be solved in this complex development effort. I am confident that the agency that managed Apollo can also meet the immediate challenges of the Shuttle program.

I would like you to appoint a few highly competent and independent individuals who can assist you in your Shuttle program review and forward planning. I would expect their talents to be employed to the fullest as you proceed with your activities. Please let me have your report on the overall Shuttle program by October 15, including the views of your consultants.

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned in the lower right quadrant of the page.

B

List of Alternate Candidates

- Jack Young--retired career government official with high-level experience in NASA, OMB, HEW and DOE--highly knowledgeable about management of large and complex government programs.
- Sidney Drell--physicist, currently Deputy Director and manager of Stanford Linear Accelerator Center--combines academic credentials with excellent management skills--strong and vocal supporter of Salt II.
- Patrick Haggerty--retired manufacturing executive, former Chairman of Texas Instruments, Inc.
- Sol Buchsbaum--physicist, currently Vice President for Network Planning at Bell Labs, and formerly with Sandia Labs, Albuquerque.
- Jack Ruina--electrical engineer, former DOD official, including former Director of Advanced Research Projects Agency, currently Professor of Electrical Engineering at M.I.T.

THE WHITE HOUSE

WASHINGTON

DATE: 09 JUL 79

FOR ACTION:

INFO ONLY: ARNIE MILLER

SUBJECT: PRESS CUTTER MEMO RE REVIEW OF SPACE SHUTTLE PROGRAM

+++++

+ 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

July 12, 1979

MEMORANDUM TO THE PRESIDENT

FROM: PATRICK H. CADDELL

SUBJECT: Journalists Meeting

I will provide the talking points into the matter regarding (1) the survey results and (2) the readings.

SURVEY RESULTS

Beginning in December 1978 and extending through early 1979 we found major shifts in structural attitudes that signaled a rapid disintegration of optimism and efficacy in the country. Because they began before the heavy impact of this year's inflation/gas crunch the increasing malaise has been deepened, not caused, by those occurrences.

Long Term Pessimism in the Country

1. For the first time ever in the history of survey research we found, in the second quarter, a mean line that was a straight negative curve 5.7 (Past), 4.7 (Present) 4.6 (Future).

2. Pessimists had doubled since early 1977 -- we now show 16% Optimists and 48% Pessimists -- a 10 point rise is six months.

3. Pessimism extended into high income, college education, young respondents for the first time.

4. The results were considerably worse than the low Watergate figures registered in 1974-75 when inflation, recession, Nixon resignation, and Vietnam failure all converged.

Long Term Pessimism for Personal Life

1. Through 1977 we saw a curve which was the flattest for personal expectations ever measured 6.1 (Past) 6.4 (Present) 6.7 (Future). The .6 difference between Past and Future was 1/2 of the distance in the fall of 1978.

2. For the first time personal optimists dropped below 40% (37%) and pessimists rose to an unprecedented 32% -- doubling in six months!

3. There was more movement in six months on this measure than in the previous 10 years.

4. Personal pessimists increased most dramatically among the elder-upper income, higher educated, and the young.

In both cases (national and personal) two disturbing notes could be made.

1. The velocity of movement was as distressing as the actual numbers themselves.

2. It was hard, in any real sense, to explain these numbers being worse than the Watergate or Recession figures of 1974-75 which led us to explore the non-material aspects as well.

Personal Efficacy and Confidence in the Government

Looking at December 1976 to December 1978 figures we saw startling changes in the belief in individual efficacy.

1. For the first time we found a plurality (48% to 43%) agreeing that "it doesn't really make much difference who gets elected" up from 39% agree and 57% disagree in December 1976.

2. To the question "public officials don't care much what people like me think" the results went from 45% agree to 48% disagree in 1976 to agreement in 1978 of 59% - 31%.

3. In 1976 - the public disagreed (40% to 55%) that "People like me don't have any say about what the government does" to a reverse in 1978 of 57% agree - 35% disagree.

4. In two years we went from 41% to 60% saying that "quite a few of the people running the government were crooked."

5. In the space of three months (September 1978-NBC to December 1978-CSR) we found a margin change of agreement from 47%-47% to 60%-27% in the belief "that the November election will not make my life any better or worse."

6. Most shocking were the results concerning the government -

(a) Only 13% felt candidates in the last election cared about problems that bothered the individual "a lot".

(b) And while about 45% on average felt government could do a lot about major problems (inflation, unemployment, taxes, crime, health care) only an average 10% felt it "likely" that government could solve these problems.

(c) Most stunning, only about 18% felt that the candidates in November really cared "a lot" about solving these problems particularly inflation and taxes -- the twin campaign issues of 1978.

(d) Finally on the questions of "how certain people were that we would make progress on these issues over the next 4 or 5 years only about 6% felt absolutely certain!" This compares with 60%+ figures to issues in the early 1960's!

(e) About 60% said "they didn't know, didn't care, etc." on whether the 1978 energy or tax bills were "good" or "bad".

OTHER SIGNALS

1. No reaction to Mideast Peace Treaty
2. Collapse of Congress after Pressue on wind fall profits tax by President.
3. Overthrow of Daley Machine by Jane Byrne in Chicago.

INTELLECTUAL EXPLORATION

Christopher Lasch - The Culture of Narcissism

People who lose sense of future turn inward for fulfillment which leads to vaccum and greater unhappiness. Explored this phenomenon through damage of advertising, consumption, personal relationships, education, child rearing, and public interest -- building of dependency -- loss of sense of meaning of life for future.

Robert Bellah - Human Conditions for a Good Society

Explored the loss of "covenant" in the society. Pointed out 18th century concept of corruption of luxury. Insisted that public confidence and commitment to the common good are necessary for survival and that unrestrained self-interest will destroy the conditions of freedom in society and precipitate the coming of tyranny.

Daniel Bell - The Cultural Contradictions of Capitalism

Combine much of Lasch and Bellah. Pointed out that "modernism" and loss of faith was undermining the society (much like narcissism) and the concept of "civitas". Discusses the problem of "Revolution of Rising Entitlements" first raised by Tocqueville that groups and individuals first seek then demand more and more from government. Economic growth as secular religion and political solvent which leads to inflation as growth slows demands rise -- and this leads to change in character of society making restraint, discipline and common interest almost impossible. Values are weakened.

John Maynard Keynes - Essays in Persuasion

In 1931 in depths of depression points out -- that within century Western Democracy would be wealthy, that Economic Man for the first time would no longer dominate and that the crisis would be "purposiveness" in a society when survival did not dominate.

Alexis de Tocqueville - Democracy in America

Like Keynes warned America's problem would be in growing wealthy and "sofe depotism" of dependency that could arise undermining American community. Also, warned against Bureaucracy.

John Gardner - Morale

Makes many of the above points. Concern over need for common purpose and belief in future. Focus of regeneration and decay always at work in society. Cites danger of "pluralism gone berserk -- the war of the parts against the whole."

James Q. Wilson - American Politics: Then and Now

Discusses the atomization of pointed system, ease of entry into political system and rise of special interest groups.

James MacGregor Burns - Leadership

Timely book discussed the difference between Transactional Leadership and Transforming Leadership. The need to appeal to higher needs of people. Also, the difficulty of executive leadership in escaping Transactional bargaining in order to lead.

THE PROBLEM

The best summary is in my blue memo Part 3, Section I, pages 3 to 5 which succinctly lays out the problem drawing from all the above.

SOME THOUGHTS

Mr. President, given that you want to hold a session that explains the framework of your action and the months of intellectual exploration you may want to have a somewhat freewheeling session. (1) Because the session is off the record, (2) Because the goal is to put these journalists on your wavelength, and (3) Because most of them know me; my concerns from speeches, etc. and discussions on general survey data, and my broader intellectual interests it may serve you to have me come to the session tomorrow, and participate in the education process. No one in that particular group is going to accuse you of "following your pollster" and it could be helpful. If you think so, I'll be glad to sit in.

Finally, I think it is important not to tip your hand as regards (1) The speech (2) Possible personnel actions, and (3) Specific actions to implement the role change of your Presidency.

THE WHITE HOUSE
WASHINGTON

12 July 79

Tim Kraft
Arnie Miller

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

~~appropriate~~ *appropriate*
handling.

Rick Hutcheson

FOR ACTION
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| | EYES ONLY |

THE WHITE HOUSE

WASHINGTON

July 9, 1979

MEMORANDUM FOR THE PRESIDENT

FROM:

TIM KRAFT ^{TK}
ARNIE MILLER ~~AM~~

SUBJECT:

Presidential Appointment

We join Doug Costle in nominating Joan Z. Bernstein to become Assistant Administrator for Enforcement at the Environmental Protection Agency. Mr. Costle's letter to you recommending this action is attached.

Ms. Bernstein is currently the General Counsel at EPA and has been in this position since July 1977. She has a very distinguished record of public service at EPA and earlier as the head of FTC's Bureau of Consumer Protection.

Ms. Bernstein is a native of Galesburg, Illinois and holds a B.A. in Economics from the University of Wisconsin (1948) and a L.L.B. from Yale (1951) where she was a member of the Law School's Board of Editors.

RECOMMENDATION

We recommend that you nominate Joan Z. Bernstein to be Assistant Administrator for Enforcement at the Environmental Protection Agency.

approve

disapprove

J

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 29 1979

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

Dear Mr. President:

It is with great pleasure that Doug Costle and I nominate Joan Z. Bernstein to become Assistant Administrator for Enforcement at EPA.

Ms. Bernstein, our agency's General Counsel since July 1977, has a very distinguished record of public service at EPA and earlier as head of FTC's Bureau of Consumer Protection. Equally important, her background includes private practice as a partner with the Washington, D.C. firm of Baker, Hostetler, Frost and Towers and earlier as Associate Attorney with firms in New York City and Chicago.

She has the respect and trust of virtually everyone in the Washington legal community and in government including Stu Eizenstat, Bob Strauss and others who work closely with you.

At EPA, we consider her an outstanding manager, a legal advisor whose counsel is impeccable and a top member of our policymaking team. At our request, she also leads EPA's regulatory reform effort, which, as you know, is not only producing concrete results but pointing the way for other agencies to follow.

A native of Galesburg, Illinois, Ms. Bernstein holds a B.A. in Economics from the University of Wisconsin (1948) and a L.L.B. from Yale (1951) where she was a member of the Law School's Board of Editors. Currently, she is a member of ABA's Administrative Law Section and the Standing Committee on Environmental Law. She also serves as a council member of the Administrative Conference of the United States.

We recommend her without reservation, knowing that as EPA's Assistant Administrator for Enforcement, she will serve you with the highest standards of excellence and effectiveness.

Sincerely,

A handwritten signature in cursive script that reads "Barbara". The signature is written in dark ink and extends horizontally across the page.

Barbara Blum
Acting Administrator

Enclosure: Resume

RESUME

Joan Zeldes Bernstein (Jodie)

Born: March 17, 1926
Galesburg, Illinois

EDUCATION

Primary and Secondary: Galesburg Public Schools
University of Wisconsin,
Economics, B.A., 1948
Yale Law School, L.L.B., 1951

PRESENT POSITION & RESPONSIBILITIES

As General Counsel of the Environmental Protection Agency, I serve as principal legal adviser to the Administrator or Deputy Administrator. In addition, I counsel the Administrator in the formulation of policy and policy choices involved in the administration of major statutes. As a result, I am constantly involved in significant issues of administrative law, both substantive and procedural.

Because of my interest and experience in regulatory reform acquired as head of the Bureau of Consumer Protection, Federal Trade Commission, I have been assigned unusual "program responsibility for procedural reform." The Administrator has asked me to develop and implement several major changes. For example, we have recently proposed a comprehensive revision of the procedures governing issuance of water permits. We believe that the new procedures will substantially reduce delays, thus saving Government and business resources. Similarly, we are moving toward consolidating permit requirements.

These projects require extraordinary legal skills because we are largely breaking new ground.

PROFESSIONAL AND ACADEMIC REFERENCES

Douglas M. Costle, Administrator, Environmental Protection Agency
Barbara Blum, Deputy Administrator, Environmental Protection Agency
William Drayton, Jr., Assistant Administrator for Planning & Management, Environmental Protection Agency
Patricia M. Wald, Assistant Attorney General for Legislation, Department of Justice

Professional Participation

Council Member, Administrative Conference of the United States, 1979
Nominated to serve on Council of the Administrative Law Section,
American Bar Association, 1977
Chairman, Consumer Protection Committee, Antitrust Section, American
Bar Association, 1973-1977
Practising Law Institute, "Antitrust in Action," December 1973,
participant.
The Conference Board (National Industrial Conference Board), 1972,
speaker.
American Association of Corporate Counsel (Annual two-day seminar
program), Chicago, October 1974, speaker.
American Bar Association annual meeting, speaker in the Adminis-
trative Law Section program, Atlanta, 1976.
Practising Law Institute, "Federal Administrative Law Practice
and Procedure," 1977.

Education

Galesburg, Illinois, public schools
University of Wisconsin, Economics, B.A., 1948
Yale Law School, L.L.B., 1951

Miles Kirkpatrick, former Chairman, FTC; Morgan, Lewis and Bockius, 872-5000
 Robert Pitofsky, Commissioner, Federal Trade Commission
 Peter Barter Hutt, former General Counsel, FDA; Covington and Burling, 452-6000
 C. Brian Dillion, Past President, Antitrust Section, ABA; Baker and Botts, Houston, Texas
 Daniel Mayers, Wilmer, Cutler and Pickering, Washington, D.C.
 Robert Wald, Wald, Harkrader and Ross, Washington, D.C.
 Arnold Lehrman, Wilmer, Cutler and Pickering; U.S. Chamber of Commerce
 Victor G. Rosenblum, Northwestern University Law School, Chicago
 Thomas I. Emerson, Professor, Constitutional and Administrative Law, Yale Law School
 Joseph Goldstein, Yale Law School
 Robert Hunt, Associate Dean, University of Washington Law School

PROFESSIONAL EXPERIENCE

Associate Attorney, Sherman and Sterling, New York, New York
 August 1951 - August 1952
 Associate Attorney, Dahlstream, Schiff, Waite and Hardin, Chicago, Illinois, November 1952 - November 1953
 Associate Attorney, William B. Wolf, Jr., Washington, D.C., November 1968 - October 1970
 Bureau of Consumer Protection Federal Trade Commission, Washington, D.C., in the following positions:
 Trial Attorney - October 1970 - November 1971
 Assistant to Director - November 1971 - February 1973
 Acting Director - February 1973 - September 1973
 Deputy Director - September 1973 - October 1975
 Acting Director - October 1975 - June 1976
 Partner, Baker, Hostetler, Frost and Towers, Washington, D.C.
 June 1976 - July 1977
 General Counsel, Environmental Protection Agency, Washington
 July 1977 - to - Present

PROFESSIONAL PARTICIPATION

Member, Council of the Administrative Law Section, American Bar Association
 Member, Standing Committee on Environmental Law, American Bar Association
 Agency Representative to Administrative Conference (serving on Committee on FTC Rulemaking)
 Chairman, Consumer Protection Committee, Antitrust Section, American Bar Association - 1973 - 1977
 American Association of Corporate Counsel (Annual Two-Day Seminar Program), Chicago, October 1974, Speaker
 Eighth New England Antitrust Conference, Boston, November 1974

BIOGRAPHY

JOAN Z. BERNSTEIN

Professional Experience

| | | |
|--------------------------------|------------------------------|---|
| August 1951 August 1952 | Associate Attorney | Sherman & Sterling New York, New York |
| November 1952 November 1953 | Associate Attorney | Dahlstream, Schiff, Waite & Hardin Chicago, Illinois |
| November 1968 October 1970 | Associate Attorney | William B. Wolf, Jr. Washington, D.C. |
| October 1970 November 1971 | Trial Attorney | Bureau of Consumer Protection, Federal Trade Commission |
| November 1971 February 1973 | Assistant to the Director | Bureau of Consumer Protection, FTC |
| September 1973 October 1975 | Deputy Director | Bureau of Consumer Protection, FTC |
| October 1975 June 1976 | Acting Director | Bureau of Consumer Protection, FTC |
| June 1976 July 1977 | Partner | Baker, Hostetler, Frost & Towers, Washington, D.C. |
| July 1977 Present | General Counsel | Environmental Protection Agency |

Honors

Member, Board of Editors of Yale Law School

Phi Kappa Phi

Outstanding Senior Woman Annual Alumni Award, University of
Wisconsin, 1948

Mortar Board - Selected in Junior year; President in Senior year

Superior Service Award - Federal Trade Commission, February 1972

Nominee of Federal Trade Commission for Federal Woman's Award

American Bar Association Annual Meeting, Speaker in the Administrative Law Section Program, Atlanta, 1976
Practising Law Institute, "Federal Administrative Law Practice and Procedure," May 1977

CONTRIBUTIONS DURING GOVERNMENT SERVICE

While serving at the Federal Trade Commission, I created a formal mechanism to produce simple, easily understandable regulations. I was also responsible for developing systematic review of past actions, which on one occasion resulted in eliminating 700 pages in the Code of Federal Regulations (out of date, etc.).

I was responsible for the first programmatic budget concept. For the first time, the Commission was able to evaluate policy options because the budget documents presented choices as to programs documented with cost benefit analysis.

As head of the Bureau of Consumer Protection, Federal Trade Commission, I had primary responsibility for implementing Magnuson-Moss rulemaking. In that role, I developed the first funded public participation in administrative proceedings program. The Commission delegated authority to determine the scope of participation by outside interest groups as well as level of the funding. Several Congressional committees, which scrutinized implementation of the program, praised its effectiveness and fairness. As a result, it has been used as a model in proposed legislation.