

10/9/79 [1]

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo	From Brown to The President (3 pp.) re: Activities of the Sec. of Defense/enclosed in Hutcheson to Mondale 10/9/79	10/5/79	A
memo w/att.	From Harden to The President re: Japan Trip (3 pp.) <i>opened per RAC NLE-126-18-24-1-5 11/18/13</i>	10/4/79	A

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THE WHITE HOUSE
WASHINGTON

PATTI

PLS GIVE JERRY SCHECTER
A COPY OF PRESIDENT'S LETTER
TO LUCEY, AND A COPY OF
HIS TYPEWRITTEN RESIGNATION.

NO COPIES TO ANYONE OF
THE HANDWRITTEN NOTE -
JUST FOR OUR FILE.

RICK

THE WHITE HOUSE
WASHINGTON

10/9/79

rick --

original lucey letter

his personal note,
original thereof, is
in the president's
personal file.

--SSC

THE WHITE HOUSE
WASHINGTON

5833

October 9, 1979

ACTION

MEMORANDUM FOR: THE PRESIDENT
FROM: ZBIGNIEW BRZEZINSKI *ZB*
SUBJECT: Resignation of Ambassador Lucey

fu: ->
Pat Lucey has submitted his resignation as U.S. Ambassador to Mexico, effective November 1, 1979 (see Tab B). At Pat's request we will embargo the news of his resignation until 4:00 p.m. this afternoon. *FJLP knows of this*

At Tab A, I attach a letter from you to Pat in which you accept his resignation while praising his work in Mexico. Rick Hertzberg has cleared the letter.

RECOMMENDATION

That you sign the letter at Tab A.



EMBASSY OF THE
UNITED STATES OF AMERICA

Oct 8, 1979

Dear Jimmy,

Thanks for your gracious phone call Saturday morning. The fact that you made it must mean that you have somehow sensed the travail I've been going through the past several days.

Your call helped me to sort out a range of considerations I have been weighing in reaching the very difficult decision that the attached official letter embodies.

I would hope that this decision is not misunderstood. In resigning I am neither explicitly nor implicitly seeking another government position. After nine years of uninterrupted public service, it is simply time for a change.

It has been an honor and a privilege for me to serve as your Ambassador to Mexico. Thank you for giving me that opportunity.

Sincerely
Pat.



EMBASSY OF THE
UNITED STATES OF AMERICA

October 8, 1979

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

Dear Mr. President:

For almost two and a half years now, I have served as this country's ambassador to Mexico. It has been a stimulating experience for me, and I hope it has been constructive for the policies and the peoples of both countries. I have enjoyed my work here and my working relationship with you and Secretary of State Vance. However, I now have decided to resign from this position, effective November 1, 1979, and to return to Wisconsin.

I leave not with regret but with a sense of satisfaction because it is clear that Mexico and the United States have accomplished a great deal together since your Administration took office. The strength and the importance of the relationship between the two countries has perhaps never been more apparent than over the last month. As the successful meetings between you and President Lopez Portillo just a few days ago demonstrated, it is a relationship based on mutual respect and appreciation. In addition, the new inter-governmental agreement on the guidelines for a natural gas contract has been well received in both countries. That agreement has more than symbolic importance--it offers real potential for helping us solve our energy problems. But these are only the most recent achievements.

In 1977, Mexico and the United States entered into the Prisoner Transfer Treaty that, since its ratification, has permitted more than 400 young Americans to complete prison sentences in their own country. While Vice-President Mondale was in Mexico last year, he signed the most comprehensive commercial aviation agreement ever negotiated between any two countries, and the impact of this agreement on

tourism in the United States as well as in Mexico has been dramatic. Moreover, the joint decision to expand and strengthen the Consultative Mechanism, announced on your trip to Mexico City earlier this year, has generated negotiations that promise major bilateral agreements in many other areas.

There have been significant, if less obvious, improvements in this country's perception of Mexico and in this government's ability to help shape a relationship that is productive for both countries. Through the presidential policy review process, the efforts of the Department of State, and our emphasis on working with the Congress, there is a greater public and governmental awareness of our relationship with Mexico and the impact that seemingly unrelated domestic and foreign policies can have here. Bob Krueger in the new position of Ambassador-at-Large will provide a great service to both countries as he continues to expand the interdepartmental coordination and cooperation that already have begun.

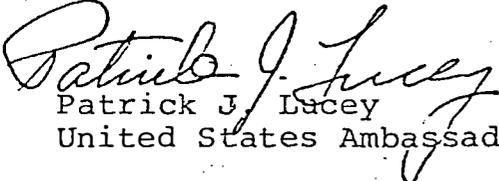
In Mexico City, the U.S. Embassy itself, the nation's largest diplomatic mission, has played an increasing role in the formation and conduct of our policies. For example, the Embassy was directly involved in the formation and early deliberations of the Askew Committee. While massive undocumented immigration will confront our two countries for many years, that committee will provide constructive new proposals in this difficult area. With the State Department's encouragement and cooperation and the creative application of zero based budgeting, we now have a lean, more efficient and highly professional staff at the Embassy and its constituent posts. I will miss working with the people here, but my successor will find his or her job less difficult because of their presence and their dedication.

There is a common theme in much of what has happened over the last few years, Mr. President. It is the gradual recognition that Mexico seeks no favors from us, no "special" relationship, but that, instead, Mexico seeks our friendship as the mature, responsible, independent, and rapidly-developing nation that it has become. That friendship will continue to reward both countries in the years ahead. And it is that friendship that will enable Mexico and the United States to resolve the difficult, persistent and shared problems that remain.

As a courtesy to President Lopez Portillo and the Mexican government, I would appreciate the opportunity to inform him of my decision before it becomes public. I have a pending appointment with him at 1:45 P.M. (Mexico time) on Tuesday, October 9. After that meeting, I suggest that my resignation be announced immediately in Washington, D.C. and Mexico City.

I submit my resignation to you only after a great deal of deliberation. I do believe, however, that after two and a half years in Mexico City, it is time to return to Wisconsin where I began my public service more than 30 years ago, and I believe that this is a logical and appropriate time to do so. Jean and I very much appreciate the personal kindness that you and Rosalynn have shown us and the public trust that you have placed in us. Thank you.

With warm regards,


Patrick J. Lucey
United States Ambassador

A

THE WHITE HOUSE

WASHINGTON

October 9, 1979

Dear Pat,

With deep regret I accept your resignation as Ambassador to Mexico as of November 1, 1979.

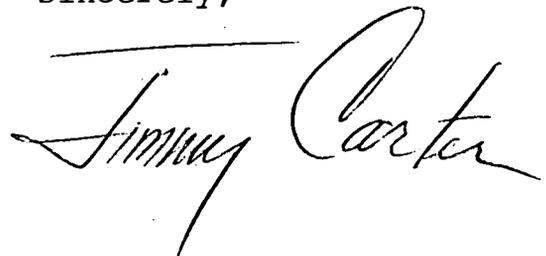
During your years in Mexico you brought political skills and personal stature to one of America's most important and difficult diplomatic assignments. These years were but the latest example of your dedication and commitment to public service.

Your leadership has contributed significantly to a new frankness and balance in our cooperation with Mexico. The recently concluded visit of President Lopez Portillo was a reminder of how much we have accomplished. Formal agreements on natural gas sales, prisoner exchanges, civil aviation, and improvements in the mechanisms through which we manage major United States-Mexican issues have advanced the vision of our relationship with Mexico that you and I have shared since the outset of my Administration.

Since the time that we began our service as Governors together, I have valued the courage, effectiveness, and good judgment that you bring to public policy. The Secretary of State joins me in thanking you and in wishing you all success as you return to Wisconsin.

Rosalynn and I especially appreciate the advocacy of efficient and humane government that we know we can count on from Pat and Jean Lucey.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the typed name.

The Honorable
Patrick J. Lucey
American Ambassador
Mexico City

11:45 AM

THE WHITE HOUSE

WASHINGTON

October 8, 1979

**Electrostatic Copy Made
for Preservation Purposes**

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *JW*
SUBJECT: Brief Meeting with Mr. T. Yoshida and Party
Representing YKK Zipper Manufacturing Company
of Macon, Georgia 11:45 a.m. Oval Office

Five years ago on October 12, 1974, you presided at the ground-breaking ceremony for YKK Zipper Manufacturers in Macon, and met Mr. T. Yoshida, President, at that time. You recently saw him again at the Tokyo meetings.

He and some members of his family are here for the fifth anniversary celebration and requested to visit you in the White House.

This will be a brief greeting for photographs. They also have brought gifts for you and your family.

Mr. Yoshida will report to you that YKK has recently acquired 250 acres of additional land in Macon to expand their operation to the production of raw materials. At the present time, these materials are imported from Japan. YKK has 24 divisions throughout the USA, with regional centers in Macon, Chicago, California and New Jersey. They employ about 400 people, most of whom are located in Macon.

Attending the meeting will be:

Mr. Tadao Yoshida
Founder and International President of YKK

Mr. Kyumatsu Yoshida
Chairman of YKK, brother of Tadao

Mr. Takahisa Yoshida
Director of YKK, son of Kyumatsu

Mr. Tsutomu Isaka
Executive Director and interpreter

11:50 AM

THE WHITE HOUSE

WASHINGTON

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October 2, 1979

GREETING AND PHOTO WITH MANNY MOTA
OF THE LOS ANGELES DODGERS

Tuesday, October 9, 1979
11:50 AM (3 minutes)
Oval Office

I. PURPOSE:

To briefly greet and take photo with Manny Mota of the Los Angeles Dodgers and immediate family.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN:

Background: Mr. Mota is an 18-year National League baseball player who recently (9/2/79) broke the major league record for most pinch hits (145).

He is popular in Los Angeles and in general with the Hispanic community, particularly among Dominicans; about 2 million in the United States. In short, Mr. Mota is a national idol and can be very helpful to the Administration and the President from a public relations standpoint.

PRESS PLAN:

Full press.

PARTICIPANTS:

The President, Ambassador Torres, Messrs. Colón and Tapia, Mr. Mota and immediate family, representative of the Dodger organization, two very close friends. Mr. Mota will be accompanied by his wife, Margarita, and 8 children, ages 13-2.

III. SCENARIO:

The President will greet Mr. Mota, his family and invited guests and Mr. Mota will present the President with a personally autographed bat.

THE WHITE HOUSE

WASHINGTON

October 9, 1979

MEMORANDUM TO: RICK HUTCHESON

FROM: GILBERT COLÓN *gc*

SUBJECT: MANNY MOTA VISIT

I have learned that in addition to Mr. Mota's presentation of his bat to the President, the Dodger Club will present the President with an official Dodger jacket (with inscription "President Carter" on the back) and cap, and a dozen autographed baseballs. The presentation will be made by Mr. Steve Brenner, a Dodger representative.

Comment should be made about Mr. Mota's popularity and the fact that he has won the hearts of the American people with his achievements and modesty.

THE WHITE HOUSE
WASHINGTON

October 4, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: RICHARD HARDEN *Richard*
SUBJECT: Japan Trip

To bring you up to date - I have talked to Miss Lillian about some of the possible problems that could result from her trip to Japan. She told me that she really didn't have too much of a desire to go anyway and that cancellation would be fine with her.

I then called Joe Sports and explained the situation to him. He agreed that it would be best for her not to go at this time, and we mutually decided that the official reason for cancellation would be that she just isn't well enough to travel that far.

Let me know if you would like me to do anything further.

CONFIDENTIAL

*Susan -
Hold - 5100e
to R. Harden
J*

Background Information on Ryoichi Sasakawa

- 1946 - Designated a class A war criminal for his activities as civilian official in the Japanese Occupation Government of Shanghai. He, along with Yoshio Kodama (charged with being the "fixer" in the Lockheed scandal in 1976), were accused of systematically plundering the civilian population of Shanghai in the name of the occupation authorities.
- 1947 - Confined at Sugamo prison along with Yoshio Kodama, Nobusuke Kishi (Prime Minister 1957-60), General Hideki Tojo.
- 1948 - Released, apparently without trial.
- 1950s - Obtained from the Japanese Government monopoly rights to control motorboat racing operations, gambling, and profits throughout Japan.
- 1960s - Obtained similar rights for bicycle racing in Japan.

Drawing on the substantial revenues from these gambling operations, Sasakawa has over time contributed considerable sums to philanthropic, cultural, and conservative political organizations. He is a prominent backer for International Social Service, an institution which takes care of orphans; of Japan's population council, the principal birth control organization; and a variety of other worthy causes. He is reputed to have contributed heavily to the campaigns of prominent right wing LDP members, including former Prime Ministers Fukuda and Kishi, former Agriculture Ministers Nakagawa, and others.

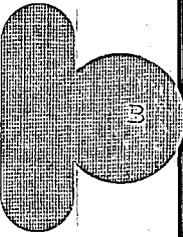
Sasakawa has ties with a large number of organizations, many of which he founded and heads. They include: the Japan Shipbuilding Promotion Association; Japan Motorboat Racing Association; Japan Bicycle Racing Association; Japan Poem-Reciting and Sword-Dancing Association; Japan United Nations Association; World Union of Karate Organizations; Japanese Disabled Veterans Association; Japan Civil Aviation Promotion Foundation; Japan Musical Culture Foundation; World Anti-Communist League. He is also Honorary Consul in Japan for Tonga and the Central African Republic.

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ESD/... 126-18-24-1-5
BY KS DATE 10/27/13

1978 - In May Sasakawa received the Order of the Sacred Treasure first class from Emperor Hirohito in recognition of his philanthropic activities. Sasakawa is also a space enthusiast. In late 1978 he sponsored a major space exhibit, including moon rocks, U.S. rockets, and space vehicles. The exhibit was attended by the Director of NASA.



Rightist Kingpin Sasakawa

By David Sharp
Contributing Editor

"The Pacific War was unavoidable if Japan was to defend herself and maintain the right to survive. It was never a war of aggression."

"Mussolini was a first class person. He had the character, the spirit and the conviction of the old samurai of Japan. He was the perfect fascist and dictator."

—Quotes from

Ryoichi Sasakawa

Ryoichi Sasakawa, 78, class A war-crime suspect, motorboat-gambling czar, ultra-rightwing leader, and political power broker will be decorated by the Japanese government May 9.

He will receive the First Class Order of the Sacred Treasure from Emperor Hirohito at the Imperial Palace



as part of the annual spring honors list for his "meritorious services."

Sasakawa is one of 21 people who will receive first class medals from the Emperor. Others include Toshio Doko, president of the powerful Federation of Economic Organizations (Keidanren); Shigeo Nagata, president of the Japan Chamber of Commerce; Diet members; diplomats; and businessmen.

'Godfather Sasakawa'

Billed as "Godfather Sasakawa" by the Japanese press, he is the chairman of scores of organizations ranging from the Japan Shipbuilding Promotion Association to the Japan Poem-Reciting and Sword-Dancing Promotion Society.

He is the honorary consul in Japan for Tonga and the Central African Republic, an

honorary citizen of Manila, and a member of the Japan United Nations Association UNICEF Fund Committee.

His major source of wealth comes from his control of the Motorboat-Racing Association of Japan, a five billion dollar a year legalized gambling concession.

Sasakawa's personal fortune is said to be \$60 million, but his land holdings may amount to \$500 million.

He claims privately that his power exceeds that of the prime minister. "Smart people come to me to get things done in Japan," he bragged once. His role as a power broker and political fixer is recognized to be greater than that of Yoshio Kodama, accused in the Lockheed scandal of arranging payoffs to Japanese politicians.

Small Army

As chairman of the world union of karate organizations and the federation of all-Japan karate organizations, Sasakawa says he can draw on the loyalty of this small army of one million members whenever he needs their services.

If they are not enough he can always call on the Japanese Disabled Veterans Association, the Japan Civil Aviation Promotion Foundation, or the Japan Musical Culture Foundation. He is chairman of these groups as well.

In 1931 Sasakawa organized the Fascist National Essence Mass Party (Kokusui Taishuto). The party donated several aircraft to the Japanese navy, and helped build a military airfield in Osaka.

By 1939 Sasakawa's party had 15,000 fanatically nationalist, black uniformed members and 20 aircraft. He flew to Rome that year to meet Dictator

Benito Mussolini to promote the Axis alliance, but he missed Hitler.

"Hitler was busy in the battlefield at that time," Sasakawa once laughingly told this writer. He praised Mussolini because the blackshirts leader "looked like a beggar off the street."

A confidant and supporter of Admiral Isoroku Yamamoto, the planner of the attack on Pearl Harbor, Sasakawa shared the view of invading China, Malaysia, and the Philippines.

In 1942 Sasakawa was elected to the Diet as an advocate of Japan's expansion into Asia. After the war he was designated a class A war criminal and confined in Sugamo prison with Yoshio Kodama (the Lockheed fixer), Nobusuke Kishi (prime minister 1957-60), and General Hideki Tojo.

Released without trial, Sasakawa launched his motorboat-gambling business. He came to public attention in the 1960s again by his involvement with the Asian Peoples' Anti-Communist League and his subsequent organization of the World Anti-Communist League (WACL). The WACL has branches throughout Asia, including Australia, but is particularly strong in South Korea and Taiwan.

Moonie Connection

His WACL contacts put him in close touch with South Korean religious fundamentalist Moon Sun Myung's Unification Church movement. Moon's organizations in the United States have been accused of connections with the KCIA (Korean Central Intelligence Agency).

Sasakawa's involvements with SE Asia and Oceania are vast. He is Tonga's honorary

Mainichi

May 1978

To Get Top Imperial Honor

ambassador in Japan, and is said to have actively intervened in that island nation to prevent Russian technical advisors from building an airport there.

He established the Japan-Philippine Friendship Association and is its chairman.

In Indonesia Sasakawa is said to have backed anti-Sukarno forces in the September 30, 1965 coup d'etat; even though he proudly mentions his role in introducing Sukarno to a Japanese woman the Indonesian leader married.

In the Middle East Sasakawa is active in promoting Japan's relations with Iran, Saudi Arabia, Kuwait and Oman. He formed the Japan-Oman Association and made himself the first president.

Porno Gifts

He brags that as a middleman between Japanese interests and Arab oil sheiks he curries favor by giving gifts of classic Japanese pornography.

With the lavish profits from his motorboat association he spends money on many domestic and international charitable organizations. He financed a leprosy hospital in Korea, a cancer institute in the Philippines, and helps support the United Nations University in Tokyo.

The Asahi Shimbun, a large daily newspaper and one of the few with courage to challenge Sasakawa publicly, says many of the "charitable organizations" Sasakawa claims to support domestically are in fact connected to one of his own societies or associations.

For the Asahi's editorial pains Sasakawa has exerted heavy pressure on the Sumitomo Banking Group to refuse loans and other financial

help to the newspaper. Sasakawa's power over the mass media is considerable. It is due mainly to the \$17 million a year he spends in the media to promote motorboat racing.

Prowar Virtues

His advertisements are subtle and appealing to the superficial viewer. In one scene he romps on the beach with children and advises "one good deed a day." He also emphasizes obedience to parents and respect for the Japanese flag. In other words he emphasizes the pro-war variety of "spiritual education" that stressed filial piety and loyalty to the state.

The Japan Teachers Union has attacked the TV commercials, but Sasakawa rebuffs the union saying they are "mass-producing bad quality children." Right-wing groups with whom Sasakawa has connections use as one of their slogans—"crush the teachers union."

In addition to his rightwing friends Sasakawa boasts of his underworld connections. An occasional drinking buddy is the boss of the Yamaguchi gang, Japan's largest criminal syndicate.

Sasakawa likes to talk loudly about his female conquests. To date he claims he has made love to 500 women including "a distant relative of the Emperor Taisho to almost all of the top Geisha."

In business, Sasakawa's wealth is used to manipulate stock market fluctuations. He is also often called upon to act as a middleman in negotiations between corporations that pay highly for his behind the scenes "fixing" services.

His resentment of the present Japanese Constitution and democratic system is well

documented. "The Diet is full of stupid questions and stupid answers," he said once.

In the presence of this writer he called for changes in Japan's "peace constitution" to allow rearmament and a larger role for Japan's military.

Last year when his application for award was placed before a cabinet minister, the minister said, "Is there any reason to give this man a first class medal?" He sent back the application to the organization recommending Sasakawa.

In the interim that cabinet minister lost his post and Sasakawa's application was accepted by his successor. The recommendation was submitted, not surprisingly, by the Shipbuilding Promotion Foundation—chaired by Sasakawa himself.

The application went for approval to Prime Minister Takeo Fukuda, and was then passed routinely to the Imperial Household Agency.

Fukuda Intimate

When Fukuda came to power in December 1976, he invited a certain man to his Gumma Prefecture home to ask for political counseling. That counselor was Ryoiichi Sasakawa.

It is said Sasakawa was named to receive honors from the Emperor for his "long meritorious services" as private diplomat, friend of charities, and as a contributor to education.

Some Sasakawa supporters predict that his May 9 award is merely a stepping stone to the Nobel Peace Prize. As an "honorable" man, it seems a natural to them.

Or, is it?

THE WHITE HOUSE
WASHINGTON
09 Oct 79

Frank Moore

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

Rick Hutcheson

The Vice President
Stu Eizenstat
Jack Watson
Hamilton Jordan
Al McDonald

*Administratively
Confidential*

THE WHITE HOUSE
WASHINGTON

*Frank
Good report
J*

October 6, 1979

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

**Electrostatic Copy Made
for Preservation Purposes**

FROM: FRANK MOORE

SUBJECT: Weekly Legislative Report

I. DOMESTIC POLICY ISSUES

1. Energy

Energy Security Corporation

The Senate Energy Committee mark-up should be completed by next Tuesday. It is possible that floor action could occur the week after next.

Energy Mobilization Board

Thursday the Senate approved the EMB 68-25. Prior to final passage, the Senate amended the bill's grandfather clause to provide for Presidential power to override EPA and Interior vetos of proposed waivers.

In the House, the staffs of Chairmen Dingell and Udall continue to work towards a compromise bill. Majority Leader Wright has met with both Chairmen to urge them to expedite their work. Next week the options available for our consideration will be clearer.

DOE Authorization

The DOE Authorization Bill moves to the House floor next week and there are two amendments of great concern to us.

- a. The Moffett Amendment would re-impose controls for all crude oil. Passage of this amendment is not considered likely.
- b. The Kostmayer Amendment, which would reimpose controls on mid-level distillates, has considerably more backing. The Speaker will not vote, but the entire New England delegation plans to support this amendment.

Republican defections will be the key to its success or failure. If only the New England Republicans support its passage we should succeed in defeating it. We are working closely with industry to defeat the amendment.

Windfall Profits Tax

At mid-week, the Senate Finance Committee had approved tax credits of just over \$100 billion (without counting the still-to-be-considered, low-income plan and mass transit proposals of the Administration which amount to \$40 billion over a ten-year period.)

On the revenue side, the Committee, by a series of exemptions, had cut the windfall profits tax from the \$104 billion in the House bill to \$70.5 billion. Thus a deficit temporarily exists of at least \$28 billion in the bill.

This week the Administration won two major victories when the Committee defeated a Bentsen amendment (7-12) to exempt the first 3,000 barrels of oil production from the tax. This amendment, pushed by the independent producers, would have resulted in a loss of some \$23 billion in net windfall revenues.

Following that vote, a Boren amendment costing \$24 billion to exempt stripper oil was defeated 13-6.

Following considerable debate, the oil-producing states got together and passed a Dole hybrid amendment to exempt 1,000 barrels of oil a day of stripper oil produced by independent producers. The revenue loss was \$7.7 billion.

In sum, we won victories saving \$46 billion and lost \$7.7 billion.

The Committee reopened discussion on exemption for oil owned by state and local governments and while Senator Danforth argued eloquently against the exemption already in the bill (a revenue loser of \$6.5 billion), Senator Long has made it clear that he does not intend to lose this exemption and will cause severe problems for the entire windfall package if the exemption is removed.

On Wednesday the Committee by a 10-9 vote (with Heinz not yet recorded) rejected a Chafee amendment to increase the tax rate on tier two oil to 75%. The amendment would have raised \$9.45 billion.

The loss of Baucus and Matsunaga, two potential supporters for the amendment, was key here.

Late last week, following heavy editorial criticism of the Finance Committee giveaways of \$100 billion in tax credits, Chairman Long instructed the Joint Tax Committee to bring back a smaller package of credits to bring the bill into balance. The Joint Tax Committee has plans to bring back a package which costs in the neighborhood of \$25 billion.

Most members of the Committee recognize the need for cutting the credits package substantially but in this round the members will be looking more closely at the credits and fighting for their own pet projects.

On Wednesday the Committee, by voice vote with few members present, voted against creating a trust fund.

On Thursday morning at Senator Ribicoff's urging, the Committee reversed itself and voted 11-7 to create a trust fund to be known as the Windfall Profits Tax Trust Fund. Senator Ribicoff pointed to the need to insulate the energy program from the uncertainties of the appropriations process. The Committee deferred the decision as to whether gross or net revenues go into the fund.

The Committee will, therefore, probably spend the better part of another week working out this part of the bill as well as considering an exemption for Alaskan oil.

Utility Backout

The Administration has been under pressure from coal state Senators to submit utility backout/coal conversion legislation. On Wednesday, a floor amendment by Senator Huddleston to the EMB legislation was adopted, which would require that requesting utilities be designated as priority energy projects for the purpose of converting from oil to coal.

DOE has set up a task force to develop utility backout legislation. For the near term, methods of expediting coal conversion within the framework of existing law are being explored.

An initial DOE draft of utility backout legislation has been circulated for agency and utility industry comments. Deputy Secretary Sawhill will consult with Members of Congress, with representatives of the utility industry, and with state regulators, beginning next week.

2. Appropriations

Schedule

Tuesday, October 9:

Senate Appropriations Committee
mark-up of the Interior bill

House Appropriations Committee
mark-up of the continuing
resolution

Continuing Resolution

The Senate passed a new version of this legislation (H.J. Res. 402) on Monday, to replace the measure (H.R. Res. 404) defeated one week ago.

The abortion issue continues to be the major stumbling block to House/Senate agreement. Another significant matter concerns whether Members of Congress should (House) or should not (Senate) receive a pay increase. An increase of 12.9 percent is already assured for judges; approval of pay raises for other senior civilian and military officials is in doubt.

Language is included (in both versions) that specifically mandates continuation of the CRBR project at the current rate for the full fiscal year. The intent is to fund the CRBR so it will be consistent with the outcome of action on the pending authorization, which could either continue or terminate the project. The resolution specifies that the funds would also be available for a "project alternative" if such is subsequently authorized by the Congress.

Section 115 (of both versions) disallows any reduction of services on the Milwaukee Railroad until December 1, irrespective of recent actions by the courts to permit abandonments beginning November 1. Additionally, loan guarantees -- with questionable prospect for repayment -- are provided for the railroad's continued operation until December 1. This language is an improvement over Senate action on an earlier version of the resolution.

Both versions also contain severe restrictions on Executive Branch travel.

When the House Appropriations Committee meets on Tuesday, it may either act on H.J. Res. 402 or initiate a new version. Senate Appropriations Committee staff advise us that it is even possible to revive the defeated H.J. Res. 404 and expect the three different versions to be considered almost simultaneously. Enactment is not likely before the end of the week.

Interior

In its mark-up this week, the Senate Appropriations Subcommittee on Interior appropriated \$18.5 billion for ESC, a reduction of \$1.5 billion from our formal budget request made this week.

In other action on the bill, the subcommittee made significant reductions to the House levels for the Forest Service, the territories, and Indian programs, which moves the bill closer to our request. However, unsolicited funding for the National Petroleum Reserve, Alaska, remained in the bill.

OMB will provide a fuller tabulation next week after Senate full committee action.

3. Second Budget Resolution

As you know, last week the House passed the Second Budget Resolution by a vote of 212 to 206. All Republicans who voted opposed the resolution. The budget totals now stand as follows:

(in billions of dollars)

	<u>*Revised Mid-Session</u>	<u>Senate</u>	<u>House</u>
Receipts.....	513.9	514.7	519.2
Outlays.....	<u>547.1</u>	<u>546.3</u>	<u>548.2</u>
Deficit.....	-33.2	-31.6	-28.9
Budget Authority.....	649.1	636.6	631.8

*Latest public estimates, including Defense changes.

Conference on the resolution will begin on Tuesday or Wednesday. The following are the major elements of a strategy that will be discussed among the senior staff:

- (1) Defense -- We intend to support the Senate number for 1980, which is consistent with the President's commitment for three-percent real growth.
- (2) Energy -- We support the Senate figure for ESC and the House figures for the low-income assistance and transportation energy initiatives. The latter coupled with the Defense figures will increase the deficit to the \$33 billion range. A deficit of this size will jeopardize passage of the Resolution in the House.
- (3) Windfall Profits Tax -- The House figures provide for the windfall profits tax proposed by the Administration; the Senate figures appear to include a slightly lesser amount. We will support the House figures.
- (4) Education, Employment and Training Programs -- Both versions increased funding over our figures for education and social services; the House increased CETA, and the Senate cut CETA. We expect that a compromise between the House and Senate levels will be reached for the function -- that outcome should be desirable from our standpoint.

- (5) Reconciliation -- The Senate conferees will insist that the House adopt the Senate's reconciliation compromise. The Senate has asked for the Administration's assistance on this, and it is our plan to be supportive.

The conference begins Tuesday afternoon.

4. Endangered Species Reauthorization

The Endangered Species Act is scheduled for the House floor late next week, but probably will not be considered until the week of the 15th. Congressman Breaux, principal mover of the bill for the Administration has also offered a troublesome amendment. His proposal would transfer the independent Endangered Species Scientific Authority (ESSA) to Interior's Fish and Wildlife Service. A White House/interagency/environmentalist task force has been formed to devise a comprehensive strategy for passing the reauthorization.

5. Alaska National Interest Lands

The Senate Energy and Natural Resources Committee has scheduled mark-up sessions on the Alaska Lands Bill for Tuesday, Wednesday and Thursday of next week. We anticipate that it will be reported out by the end of the week with only slight modifications.

II. FOREIGN POLICY ISSUES

1. SALT

The Senate Foreign Relations Committee is currently scheduled to resume hearings on SALT on Wednesday.

Senators Bayh and Goldwater will appear in closed session that morning to present the Senate Intelligence Committee report on SALT verification. An unclassified version was released Thursday in an attempt to stem the conflicting news reports. It is reportedly a precise and highly technical presentation which concludes that our capability is adequate and will improve over the life of SALT II. The report will be endorsed by all Members except Jackson and Garn.

Secretaries Vance and Brown, General Jones and Ralph Earle will testify before the Foreign Relations Committee Wednesday afternoon, also in executive session. The Committee has not yet decided whether to hold an open wrap-up session the next morning. They plan to have an executive meeting the afternoon of the 11th to discuss procedural questions. The markup is scheduled to commence on October 15.

The Senate Armed Services Committee is asking Administration witnesses to appear again. Vance and Turner have been asked to appear in closed session the morning of October 17 to discuss SALT-related intelligence matters. Vance, Seignious and Earle have also been asked to appear the same afternoon in open session.

Harold Brown is being asked to testify the following week on October 23.

2. Foreign Assistance Appropriations

The full Senate Appropriations Committee marked up the Foreign Aid Bill Wednesday, making additional cuts in the Inouye Subcommittee's recommendations. The bill remains \$132 million over the Senate Budget Resolution's mark on outlays for the foreign affairs function.

The multilateral banks escaped relatively unscathed. The callable capital fund of the Inter-American Bank was cut \$100 million. A Mathias motion was adopted transferring \$200 million from the World Bank Appropriation (\$20 million from paid-in capital; \$180 million from callable) to the IDA IV account, thereby eliminating U.S. arrearages on this obligation. A Garn motion which would have slashed the U.S. World Bank contribution by \$862 million to the House level of \$163 million was defeated decisively. Another Garn motion to pare the Asian Development Fund by \$64 million was narrowly defeated on a 8-9 record vote.

After considerable discussion, the Committee adopted a Proxmire motion deleting \$45 million in Economic Support Funds for Syria on a 12-7 record vote and rejected an additional \$6.2 million for the Sinai Support Mission, although Senator Inouye said he will reconsider the Sinai matter when the bill reaches the Floor. We should be able to recoup at least half the Syria money in Conference.

All funds for the Institute for Scientific and Technological Cooperation (ISTC) were struck by an 8-5 record vote on a DeConcini motion. We have full funding in the House bill so we should be able to come out of conference with enough money to get ISTC started. It is clear, though, that the Senate is opposed to the whole concept.

The Committee did not cut military assistance programs and funded the Turkey-Greece compromise.

At the end of the markup, the Committee noted that the bill remained \$100 million over the Senate budget ceiling. Under pressure from Senators Magnuson and Bellmon, Subcommittee Chairman Inouye agreed to review the bill in an attempt to reduce FY 80 outlays by an additional \$100 million. Senators pointed to the higher House ceiling and the Senate-House budget conference scheduled for Tuesday as a potential solution to the problem. There are indications, however, that the bill may be moved to the floor Tuesday morning, too early to gain relief from a positive outcome in the budget conference.

Inouye has asked us to reassess our program levels in the bill and make recommendations for additional cuts should these become necessary.

3. Saudi F-5 Munitions Case Hearing

The SFRC has asked Assistant Secretary of State Saunders and DSAA Director General Graves to testify in executive session on Tuesday. In the view of the Committee, this is the final step in our consultation on the question of moving forward with the long-pending Saudi request for additional F-5 munitions which include Sidewinders, Mavericks, Laser Guided Bombs and Cluster Bomb Units. This hearing will give us an indication of whether the proposed sale would generate substantial opposition if we go forward with it. (The Government of Israel has formally communicated its opposition to the sale). We anticipate Congressional suggestions to reduce the numbers of munitions to be supplied as a means of reducing opposition to the sale.

4. Relief for Kampuchea (Cambodia)

Support is growing on Capitol Hill for humanitarian relief for Kampuchea. Representatives Steve Solarz and John Anderson have introduced legislation to authorize \$30 million for commodity and cash assistance. They may try to append this measure to the Emergency Refugee Supplemental Authorization expected to be brought to the floor next week. Senator Kennedy plans to propose an amendment to the Foreign Aid Appropriations Act authorizing \$5 million in disaster relief as well as clarifying language which would authorize the reprogramming of PL 480 and other funds to Kampuchean relief efforts.

On Wednesday the Wolff subcommittee of the House Foreign Affairs Committee will consider the level of U.S. contributions. It will also examine the reliability of Vietnamese assurance to UNICEF and ICRC that these organizations will have a free hand in distributing food and supplies.

House Schedule for Week of October 8

House convenes at noon on Tuesday.

Tuesday

- HR 2440 Airport Development Act Amendments
- HR 4612 Social Security Act Amendments to Title XVI
- HR 5224 Continue Fringe Benefit Tax Regulations
- HR 3777 Provisions Concerning Congressional Use of Frank Mail
- S 817 Panama Canal Zone Biological Area Authorizations
- HR 5079 International Energy Exposition in Knoxville, Tennessee

Wednesday, Thursday and Friday

- HR 3000 DOE Authorizations, FY 80
- HR 3180 DOE Authorizations, FY 79
- HR 2172 International Sugar Stabilization Act of 1979
- HR 2859 Domestic Volunteer Service Act Amendments
- HR 3829 Increase U.S. Participation in International Development Banks
- HR 3033 Justice Department Authorizations, FY 80
- HR 2218 Endangered Species Act Authorization
- HR 3916 Extension of Alcoholism and Drug Abuse Prevention

THE WHITE HOUSE
WASHINGTON

October 9, 1979

MR. PRESIDENT:

Jody would like
to have the usual pre Press
Conference question period
at about 2:30 p.m.

PHIL

ok
J

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for Preservation Purposes**

October 9, 1979

Mr. President --

The attached wire story shows that the stock market went down quite a bit today. You may be asked about this reaction from the stock market as a part of the question about the actions of the Fed.

Secretary Miller suggests that if you get questions about the stock market, you say that:

- you are certainly not able to judge the stock market on a day-by-day basis,
- the Fed has taken strong action to try to deal with this country's economic problems,
- you are confident that in due course the actions will be viewed favorably by the markets.

Then go into the full answer in your briefing book.

Rex

4147

9 8

PN-STOCKS 10-9

NEWSPAGE STOCKS

NEW YORK (UPI) -- STOCKS PRICES PLUMMETED TODAY ON THE NEW YORK STOCK EXCHANGE AS TWO NEW YORK BANKS STAGGERED WALL STREET BY RAISING THEIR PRIME RATE A FULL POINT TO A RECORD 14 1/2 PERCENT.

LOSING STOCKS WERE ROUTING WINNERS, 1,311 TO 61, AMONG THE 1,616 ISSUES TRADED.

TRADING WAS HEAVY AS THE DOW JONES INDUSTRIAL AVERAGE, A 13.57-POINT LOSER MONDAY, WAS OFF 12.36 POINTS TO 871.67 BY 11 A.M. EDT. MONDAY'S SETBACK WAS THE WORST SINCE THE DOW FELL 15.22 POINTS SEPT. 4.

THE FULL-POINT HIKE IN THE PRIME RATE BY CHASE MANHATTAN AND MORGAN GUARANTY WAS UNPRECEDENTED AND TRIGGERED ONE OF THE HERRIEST SELLOFFS IN THE 188-YEAR HISTORY OF THE STOCK MARKET. THE PREVAILING RATE STILL IS 13 1/2 PERCENT.

THE INTEREST RATES BOOSTS ARE RESULTS OF THE FEDERAL RESERVES BOARD'S WEEKEND DECISION TO RAISE THE DISCOUNT RATE IT CHARGES MEMBER BANKS TO A RECORD 12 PERCENT AND TO BOOST THE AMOUNT OF MONEY BANKS MUST KEEP AS RESERVES.

OTHER RATES HAVE RISEN SHARPLY AND SOME ANALYSTS ARE WORRIED THERE COULD BE A CREDIT CRUNCH SOON.

THE DOLLAR MOVED HIGHER ABROAD FOR THE SECOND CONSECUTIVE DAY EARLY TUESDAY. SURPRISINGLY, GOLD, WHICH FELL SHARPLY MONDAY, MOVED SHARPLY HIGHER.

FIRST-HOUR NYSE VOLUME WAS ABOUT 13,000,000 SHARES TRADED, UP FROM THE 7,880,000 TRADED DURING THE SAME PERIOD MONDAY.

UPI 10-29 11:18 RED

THE WHITE HOUSE
WASHINGTON

09 Oct 79

Jim McIntyre

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

Rick Hutcheson

The Vice President
Stu Eizenstat
Frank Moore
Zbig Brzezinski



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

Jim -

OCT 3 1979

①

MEMORANDUM FOR: THE PRESIDENT
FROM: Jim McIntyre 
SUBJECT: Presidential Plan for Reform of the Selective Service System

The 1980 Defense Authorization Bill requires that you submit a plan for reform of the Selective Service System by January 15, 1980. The plan must include recommendations on 10 specific points set out in the bill. (See Tab A). The requirements of the bill represent a major undertaking and must be one of our highest priorities over the next few months. The issues are complex, ranging from National Service to the drafting of women to a reappraisal of the all-volunteer force. Given the extremely short deadline, it will require a major effort within the agencies involved to complete the study. Accordingly, I have already begun to plan the effort even while the bill is still in conference.

We considered establishing a Presidential Commission to examine these issues but strongly recommend against it at this time for both substantive and technical reasons. As a practical matter, it takes a minimum of three months to get a Presidential Commission of this type into operation. Add to this the organizational planning, data gathering and analysis phases required and it will take one year before a final report can be completed. (The Zwick Commission on Military Compensation, which relied heavily on analyses already completed, required six months to get started and six more months to complete its work). More importantly, the issues involved are of such magnitude that we should not surrender either the control or the timing to an outside group. Your 1981 budget should reflect your program in this area and should not be blind-sided by a Commission report. Finally, it is clear to me that the only commission which would satisfy certain Senators who have pushed the commission idea would be one whose membership could be expected to endorse return to registration and/or the draft.

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Therefore, after consulting with Zbig, Defense and the Director-designate of the Selective Service System, I propose to establish a policy level steering committee consisting of the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, the Director-designate of Selective Service and chaired by John White. The effort will utilize the NSC's PRC mechanism, under OMB's Chairmanship. All parties agree that OMB Chairmanship is necessary given the broad non-defense aspects of the legislative mandate (unless, of course, you choose to establish a commission). In addition, I plan to ask the Secretaries of Treasury, Labor, and HEW, the Action Director, and the Postmaster General to designate their agency's appropriate contact for support of the study effort. Stu and perhaps others in the Executive Office will also want to designate key staff to work with us.

Five of the mandated tasks deal with the ability of the Selective Service System to meet DOD requirements for inductees upon mobilization. Specific responsibility for these tasks will be given to Bernie Rostker, the Director-designate of Selective Service. He has already started work on them, and will need support from DOD, HEW, Treasury, and the Postal Service.

Of the remaining five specific tasks, four deal with basic Defense manpower policy, and will be assigned to DOD. The result will be a reappraisal of our ability to continue to meet Defense personnel requirements through volunteers. The final issue, that of National Service, will be done in OMB, building on the work already done by the Domestic Policy Staff.

After we have fulfilled the legal requirement for a January 15, 1980, report, we could then consider a Presidential Commission to review the work we have done and advise on it. As a practical matter, that kind of schedule would not provide a final commission report until after January, 1981.

I strongly recommend you approve the approach I am taking on this issue. The Vice President, Stu, Defense and Selective Service System concur with this approach. NSC concurs.

Approve _____ ✓

Disapprove _____

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TAB A

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12 September 1979

SCHROEDER AMENDMENT TO H.R. 4040

Page 28, strike out line 3 and all that follows down through line 24 on page 30 and insert in lieu thereof the following:

PRESIDENTIAL RECOMMENDATIONS FOR SELECTIVE SERVICE SYSTEM

SEC 812. (a) The President shall prepare and transmit to the Congress a plan for reform of the existing law providing for registration and induction of persons for training and service in the Armed Forces.

Such plan shall include recommendations with respect to --

- (1) the desirability and feasibility of resuming registration under the Military Selective Service Act as in existence on the date of the enactment of this Act;
- (2) the desirability and feasibility of establishing a method of automatically registering persons under the Military Selective Service Act through a centralized, automated system using school records and other existing records;
- (3) the desirability of the enactment of authority for the President to induct persons registered under such Act for training and service in the Armed Forces during any period with respect to which the President determines that such authority is required in the interest of the national defense;
- (4) whether women should be subject to registration under such Act and to induction for training and service in the Armed Forces under such Act;
- (5) the desirability and feasibility of providing authority for the President to induct persons into the Individual Ready Reserve;

- (6) whether persons registered under such Act should also be immediately classified and examined or whether classification and examination of registrants should be subject to the discretion of the President;
- (7) such changes in the organization and operations of the Selective Service System as the President determines are necessary to enable the Selective Service System to meet the personnel requirements of the Armed Forces during a mobilization in a more efficient and expeditious manner than is presently possible;
- (8) the desirability, in the interest of preserving discipline and morale in the Armed Forces, of establishing a national youth service program permitting volunteer work, for either public or private public service agencies, as an alternative to military service;
- (9) such other changes in existing law relating to registration, classification, selection and induction as the President considers appropriate; and
- (10) other possible procedures that could be established to enable the Armed Forces to meet their personnel requirements.

(b) The President shall transmit with the plan required by subsection (a) proposals for such legislation as may be necessary to implement the plan and to revise and modernize the Military Selective Service Act.

(c) The plan required by subsection (a), together with the proposed legislation required by subsection (b), shall be transmitted to the Congress not later than January 15, 1980, or the end of the three-month period beginning on the date of the enactment of the Act, whichever is later.

Redesignate the succeeding sections accordingly.

ID 794315

THE WHITE HOUSE

WASHINGTON

DATE: 04 OCT 79

FOR ACTION: ZBIG BRZEZINSKI

Handwritten signature

INFO ONLY: THE VICE PRESIDENT

LLOYD CUTLER

AL MCDONALD

STU EIZENSTAT

FRANK MOORE

JACK WATSON

ANNE WEXLER

HEDLEY DONOVAN

SUBJECT: MCINTYRE MEMO RE PRESIDENTIAL PLAN FOR REFORM OF THE
SELECTIVE SERVICE SYSTEM

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+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM FRIDAY 05 OCT 79 +
+++++

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ACTION REQUESTED: YOUR COMMENTS

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

PLEASE NOTE OTHER COMMENTS BELOW:

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 5, 1979

MEMORANDUM FOR: THE PRESIDENT

FROM: ZBIGNIEW BRZEZINSKI *ZB -*

SUBJECT: OMB Memorandum on Selective
Service System Reform

I agree with Jim's approach to develop a plan for reform of the Selective Service System. The House and Senate Armed Services Subcommittees on manpower have, with the Defense Authorization Bill, forced our hand on the manpower issue. I do not believe we can fail to respond.

Jim's idea of using the NSC Policy Review Committee to develop the ten answers required by the Congressional report is a good one. It does, however, set us on a track the end of which forces you to take a reasonably clear position on the manpower issue in January 1980. That carries certain political risks.

My staff will work closely with the OMB in preparing for the PRC meeting.

THE WHITE HOUSE

WASHINGTON

09 Oct 79

Sarah Weddington
Tim Kraft
Phil Wise

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

Rick Hutcheson

4387

*Phil, Sarah,
Tim - JLB*

Page Two
Telephone Calls for the Week of October 1, 1979

**Electrostatic Copy Made
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Mr. Lew Wasserman
Los Angeles, California
213/985-4321

As you know we have included Los Angeles as one of the stops in the Announcement Swing. Both Jerry Rafshoon and Evan Dobelle have talked with Wasserman recently and he is cool on the idea of a fundraiser in Los Angeles in December, preferring to wait until after the first of the year. Unfortunately, if we do not include Los Angeles in the Announcement Swing we will not be able to claim a stop showing support in every region of the country as we had intended.

TALKING POINTS: The national scope of the Announcement Swing makes a Los Angeles event imperative. If Wasserman is adamant about waiting until after the first of the year for a major ticket (\$500/\$1,000) event, would he assist in a smaller ticket event, say \$50/\$100 with larger numbers structured around Mayor Bradley?

Also, would he co-sign a letter with Ed Koch to national key Jewish leaders outlining your achievements in the Middle East situation?

NOTES: *Many supporters @ Legal limit = Still re Kennedy =*

Mom Jordan a problem. (Bob Strauss wants to come to L.A.)

Law will co-sign the Koch

Senator Harold Hughes

Iowa

(o) 301/745-2612

(o) 301/234-3240

(h) 301/745-5263

Senator Hughes is still beloved in Iowa and highly respected by the political activists in the state. Hughes has been hesitant to come back to the state in any political capacity, but on occasion has spoken out on your behalf in press statements. The Vice President is speaking at the Jefferson Jackson Day Dinner in Iowa on November 3, in Ames, Iowa. The State Democratic Party would like for Hughes to accompany Mondale to Iowa and give the Prayer at the J.J. Dinner.

TALKING POINTS: Tell Hughes that his presence there would add measurably to your support and request that he attend.

NOTES: *He will be glad to do so.*

Let V.P. call him on detailed schedule

THE WHITE HOUSE
WASHINGTON

09 Oct 79

Sarah Weddington

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

Rick Hutcheson

Tim Kraft

Page Three

Telephone Calls for the Week of October 1, 1979

Gertrude Donahey, State Treasurer

(o) 614/466-2160

(h) 614/237-9470

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Dick Celeste and Sarah Weddington have spoken with her recently; she has been noncommittal, but is inclined to support. We want her support; want her to serve on Executive Committee of Ohio Steering Committee; want her to advise Kraft and Weddington how Ohio Steering Committee should be set up. We need more than her token support.

TALKING POINTS: We need her to help line up county chairs and labor leaders to serve on our Steering Committee; and to help in recruiting Democratic Federation of Women leaders to serve on the Steering Committee in every district.

NOTES: Weddington great!

Wants to serve on Exec Com but wishes to check w Paul Tipp first = Weddington call at end of this week

Tony Celebrezze, Secretary of State

(o) 614/466-2530

(h) 216/476-0181

Tell him you appreciate his accompanying you on the Staubenville trip (only statewide officer to show up); and regret that you didn't have more time together then.

TALKING POINTS: Ask for Tony's support and for him to serve on Executive Committee of Ohio Steering Committee. If he accepts, also ask Tim Kraft and Sarah Weddington to work with him to recruit county chairmen and labor leaders for our Steering Committee. Ask him to designate an aide to work with Kraft on this (perhaps Larry McCartney).

Bill Chavanne will work w Tim & Sarah

NOTES:

Approved to serve on Exec Comm

11:55 am

THE WHITE HOUSE
WASHINGTON

Mr. President:

Kenny Hahn would like to bring his wife by today for a photo with you. May I arrange with the two photo's already on your schedule?

yes no

Phil

RUMBA

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THE WHITE HOUSE

WASHINGTON

October 6, 1979

C
/

ADMINISTRATIVELY-CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM:

ANNE WEXLER *AW*

SUBJECT: Activities Report -- Week Ending October 5, 1979

1. SALT

The feedback on the Ohio/Oklahoma briefing is excellent and we are doing our usual follow-up. We are now developing a calendar of proposed outreach events to rebuild momentum through the floor debate.

2. ENERGY

The American Council of Life Insurance (the large insurance companies) endorsed your energy program in general, and the Energy Security Corporation in particular, noting their meetings with you and other senior Administration officials.

3. FOREIGN ASSISTANCE, TRADE REORGANIZATION.

We held briefings on each issue. We should get good support from labor, business, international-oriented and religious groups in the Senate for the Foreign Assistance legislation. The Trade Reorganization proposals were well received at the briefing and we have conducted follow-up meetings with major business groups who report no significant opposition but will support the Administration proposal on the Hill.

4. Hospital Cost Containment

The seventy-five member supporting coalition is working hard for the House vote. The insurance industry is organizing a newspaper advertising campaign which is to include unions, elderly groups, and others.

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5. ADMINISTRATION ACCOMPLISHMENTS

It is notable that on most of the legislative accomplishments of recent weeks there has been broad-based support for the Administration position from labor, business, public officials, religious and other interest groups.

If you hold a Press Conference next week, when discussing accomplishments and giving due credit to the Congress, it would be important to point out the broad base of public support for your policies which made the victories possible.

THE WHITE HOUSE
WASHINGTON

09 Oct 79

Al McDonald
Rick Hertzberg

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

Rick Hutcheson

4375

THE WHITE HOUSE
WASHINGTON

October 6, 1979

MEMORANDUM TO THE PRESIDENT

Attached is the communications strategy our speechwriter is following. Please advise of any shifts in direction or emphasis you would like.


Al McDonald

PRESIDENTIAL SPEECH COMMUNICATIONS STRATEGY

ok
J

Building Trades Unions
(Event)

Thu Oct 11
(Date)

San Diego
(Place)

10:00am
(Time)

500 leaders of 17
building trades unions
(audience)

1. Aims: Solidify a broad labor position of support for President's programs.
Emphasize importance of national accord.
2. Themes/Messages:
 - supportive role of leaders of trade unions
 - programs we have worked on together
 - peace and security (support us on SALT II)
3. Illustrations, Examples:
 - impact of energy security and energy program on construction, jobs
 - national accord benefits
 - job creation opportunities by key Carter Administration programs
 - windfall profits tax
 - equity of Davis-Bacon
4. Tone:
Rousing, forceful leader in command, many applause lines
5. Desired Audience Response:
 - conviction we are on the same track
 - enthusiastic public labor response for Jimmy Carter
6. Desired Length:
20 minutes (plus applause lines)

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THE WHITE HOUSE
WASHINGTON
08 Oct 79

Al McDonald

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

Rick Hutcheson

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

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

ACTION
FYI

VICE PRESIDENT
JORDAN
CUTLER
DONOVAN
EIZENSTAT
✓ MCDONALD <i>has</i>
MOORE
POWELL
WATSON
WEDDINGTON
WEXLER
BRZEZINSKI
MCINTYRE
SCHULTZE
ANDRUS
ASKEW
BERGLAND
BROWN
CIVILETTI
DUNCAN
GOLDSCHMIDT
HARRIS
KREPS
LANDRIEU
MARSHALL

MILLER
VANCE
BUTLER
CAMPBELL
H. CARTER
CLOUGH
CRUIKSHANK
FIRST LADY
FRANCIS
HARDEN
HERTZBERG
HUTCHESON
KAHN
LINDER
MARTIN
MILLER
MOE
PETERSON
PRESS
SANDERS
SPETH
STRAUSS
TORRES
VOORDE
WISE

THE WHITE HOUSE
WASHINGTON

October 9, 1979

*Pl. Basically
ok - give it to
me as early
as possible - after
all have
signed off
J*

Mr. President:

Please let us have your reactions and suggestions so that we may press ahead with the drafting of this important speech for the Kennedy library.


Alonzo L. McDonald

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for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

October 7, 1979

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MEMORANDUM FOR THE PRESIDENT

From: Rick Hertzberg *Rick*
Subject: Kennedy Library remarks

The program calls for you to speak for about 12 minutes. That seems about right, and we would attempt to keep it in that neighborhood. It is still up in the air whether you or Edward Kennedy will speak first.

Based on conversations with (among others) Jody, Stu, Lloyd Cutler, Hedley Donovan and Harry McPherson, and on my own thinking, here are some preliminary thoughts:

The overall tone of the speech should be gracious and warm. Except perhaps for some humorous lines at the beginning, it should be approached as if there were no such person as Edward Kennedy -- that is, you should say what you would naturally say about John F. Kennedy at an occasion of this kind, without any concealed digs at his brother.

The form of the speech would be a tribute to John F. Kennedy. The message would be that you are carrying out the essentials of his legacy and vision in a very different time. You might evoke the grief that followed JFK's death as a bridge to some of the themes you outlined on July 15, ending with a call for sacrifice and unity.

I agree.

*Rather, I both
He & I both
Carry out legacy
of America -
I'm not carrying
out his legacy*

Specifically, the remarks might follow this outline:

1. Two or three humorous opening observations designed to take the edge off the fact that everyone is looking at this event in terms of 1980 politics. (It will be hard to come up with appropriate, tasteful stuff -- and, as Jody points out, it would be better not to do this at all than to do it wrong.)

2. (Some of your advisers think you might then want to say something nice about three members of the Kennedy family -- Rose, Ethel, and Teddy. Others feel that this

is unnecessary and might be overdoing it. I would appreciate your guidance on this point.)

Put in as option for me - doubtful

3. The Kennedy library will be a living memorial to a President who was historian as well as statesman.

4. John F. Kennedy was very much a man of his time. He embodied the ideals of a generation as few public figures have ever done. His Presidency, so cruelly cut off, was too short for him to accomplish the many tasks he set for himself. Yet his achievement was very great, and it is not too early to say that history will judge him kindly. We honor President Kennedy [not just for the things he saw to completion in the time he had, but even more] for the things he set in motion, the energies he released, the ideas and ideals he encouraged. He understood that the world was changing -- that change is the law of life -- and he had a vision of how America could meet and master the forces of change he saw around him.

"faint praise"
} good
} good

5. Human rights. John Kennedy was the first President to take office with an understanding that racial discrimination is morally indefensible. As a native of the South, I know how important his moral leadership was in helping to undo the wrongs that grew out of our history. Today the spectrum of human rights problems in the United States has shifted from inequality of rights to inequality of opportunity, as we strive to overcome the lingering effects of past discrimination. Yet the moral imperative remains.

ok

6. Peace. President Kennedy embraced an active role for the United States in world affairs, and he sought to move American foreign policy beyond its preoccupation with an increasingly sterile Cold War. The nuclear test ban treaty he negotiated with the Soviet Union was the direct progenitor of SALT II. Moreover, President Kennedy saw that the future of freedom in the West would be increasingly bound up with social, political and economic justice in what has since become known as the Third World. One expression of this was the Peace Corps -- which, with its combination of activism, idealism and adventure, summed up so many of John Kennedy's virtues. President Kennedy put the United States on the side of democracy, development and reform. We slipped away from that for a period after President Kennedy's death, but now we have returned to it with our support for human rights, our encouragement of democratic reforms, and the redirecting of our aid to meet the basic human needs of the world's poorest people.

←

←

←

ok

LBJ didn't slip away

7. When President Kennedy was taken from us, the outpouring of grief that followed had a special quality.. Every adult American remembers where he or she was when the terrible news came. Because President Kennedy lived his life so intensely, its end confronted us with the mystery of mortality and the everlasting fragility of the human condition. People wept in Boston, in Chicago, in Atlanta, in San Francisco -- and in Paris, Warsaw, New Dehli and Tokyo as well. For President Kennedy had earned a special place in the hearts and imaginations of countless millions throughout the world.

of briefs
ok

8. In the period that followed, many of the seeds President Kennedy had planted grew to fruition. Yet it was a painful time in our national life. From Vietnam to Memphis, from Kent State to Watergate, the American spirit suffered under one shock after another. For a long time, the ideals that John F. Kennedy had brought to government seemed no longer welcome there, and the confidence of our people was deeply shaken.

ok

9. I am grateful for the opportunity the American people have given me to help heal those wounds -- to restore to the government of the United States the ideals of decency, honor and service that the people of the United States believe in, and that John F. Kennedy exemplified.

ok

10. I believe that America is now ready to tackle the challenges of the 1980s with renewed spirit.

ok

11. Those challenges are very different from those that confronted us a generation ago. The world of 1980 [will be] as different from that of 1960 as the world of 1960 was from that of 1940.

LS

¶ After a decade of high inflation and growing oil imports, our economic cup no longer runs over. Because of inflation, fiscal restraint is no longer a matter of ideological preference but of simple public duty. We can no longer take either productivity or investment for granted. We can no longer rely on a rising economic tide to lift the boats of the poorest in our society.

ok
brief

¶ We have a keener understanding of limits -- the limits of government action and government wisdom at home, and the limits of American power abroad to impose an American solution on every international problem.

¶ We are struggling with the profound transition from a time of cheap, abundant oil to a time of expensive, scarce oil -- much of it from unreliable foreign sources.

FR

12. We approach these problems at a time of great difficulty for our national and international institutions:

- ¶ a time when the national interest struggles to be heard over the pleadings of powerful lobbies;
- ¶ a time when the resiliency of our political system is being tested by the emergence of a Congress that increasingly resists its own leadership;
- ¶ a time when the massive wealth of the oil nations and the equally massive poverty of many of the rest of the developing nations exert strong -- and opposing -- pressures on the industrial world.

no - for negatives

13. At such a time, the need for unselfish dedication to the common good is more important than ever. In one of the most famous passages of his Inaugural Address, John F. Kennedy called upon the American people: "Ask not what your country can do for you; ask what you can do for your country." Some have criticized that passage, saying that it asks us to give too much, for too little in return. But today, almost nineteen years later, President Kennedy's meaning speaks directly to our most urgent concerns. Ask what you can do for your country: for this generation of Americans that is no abstract sentiment. In an age of hard choices and scarce resources, it is the stuff and substance of our common life. The spirit President Kennedy evoked -- the spirit of sacrifice, of patriotism, of love of country -- is the spirit that will bring us safely through the adversities we face.

Don't quote

14. With each era, with each Administration, the tasks before us change. Old solutions give rise to new problems, or uncover problems long neglected. Yet the overarching purpose of John F. Kennedy's Presidency and mine -- indeed the national purpose of the American people -- remains the same. That purpose is the building of a just society, in an America living in peace and security with the other countries of the world.

all - good

#

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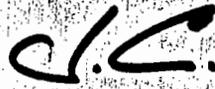
LYONS TRANSPORTATION LINES, INC.

JOHN M. COCHRAN
CHAIRMAN

PHONE: 814/456-8581
188 EAST 20TH STREET
ERIE, PA. 16513

A special message for you, Mr. President:

If you should ever want to know the motor carriers' position on deregulation (the other side of the coin), I have 43 years in truck transportation and am ready, willing and qualified.

A handwritten signature in black ink, appearing to be the initials 'J.C.' with a stylized flourish.

THE WHITE HOUSE

WASHINGTON

10/9/79

Lloyd Cutler

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

Rick Hutcheson

cc: Zbig Brzezinski
Frank Moore

Alternative 3

Floyd
I agree, incl.
preferences
J

UNDERSTANDING ON CUBA

Resolved (two thirds of the Senators present concurring therein), that the Senate advise and consent to ratification of the Treaty on the Limitation of Strategic Offensive Arms, including the Protocol thereto, both signed at Vienna on June 18, 1979, subject to the understanding:

That, prior to the exchange of the instruments of ratification, the President shall affirm that the United States will assure that Soviet military forces in Cuba (1) will not engage (are not engaged) (are not engaging) in a combat role and (2) will not become a threat to any country in the Caribbean or elsewhere in the Western Hemisphere.

(our preference)
(liberal preference) (possible compromise)

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THE WHITE HOUSE
For Preservation Purposes
WASHINGTON

October 9, 1979

3:55 p.m.

MR. PRESIDENT:

Senator Lloyd Bentsen
called.

PHIL

*Endorsed this
A.M.,*

4:00 PM

THE WHITE HOUSE

WASHINGTON

October 9, 1979

MEETING WITH OPINION LEADERS FROM THE STATE
OF IOWA

Tuesday, October 9, 1979

4:00 P.M. (20 minutes)

The East Room

From: Sarah Weddington *sw*

I. PURPOSE

To promote among these Iowa leaders a sense of identity with you and your Administration, a sense of a team working together, and a sense of urgency about actively supporting the Administration across the board.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

- A. Background: This is the twelfth in a series of meetings for civic and political leaders from the states. Your first was in August of 1978.
- B. Participants: A cross section of civic, community, and political leaders (guest list attached).
- C. Press Plan: Iowa press will be in attendance for the entire meeting. They have been told the session is on the record.

III. TALKING POINTS

Energy, the anti-inflation program and SALT II will be the key items covered earlier in the day, as well as farm issues. No particular guidance here, except to say that many in this audience will be your old friends.

attachments:

- agenda
- guest list

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AGENDA

TUESDAY, OCTOBER 9, 1979

Room 450, Old Executive Office Building

- 10:30 A.M. SARAH WEDDINGTON, HOST
Assistant to the President
- 10:35 A.M. DR. ZBIGNIEW BRZEZINSKI
Assistant to the President for
National Security Affairs
- 11:15 A.M. STU EIZENSTAT
Assistant to the President for
Domestic Affairs
- 12:00 Noon Coffee Break

Walk to White House

State Floor, White House

- 1:00 P.M. Buffet lunch
- 2:00 P.M. VICE PRESIDENT MONDALE
- 2:20 P.M. SECRETARY BOB BERGLAND
Secretary of Agriculture
- 2:50 P.M. HAMILTON JORDAN
White House Chief of Staff
- 3:30 P.M. View President Carter's live news conference
via television monitors
- 4:00 P.M. PRESIDENT CARTER

Attendees at the Iowa State Constituents Briefing - October 9, 1979

Charlotte Wilder - Clerk of the District Court, Warren County
Bart Rule - Des Moines
Daryl Beall - Fort Dodge
Bert Permar - teacher; Marshall County Democratic Chair
Michael Sauve - Business Manager, Local Union 55, International
Brotherhood of Electrical Workers
Barb Leach - Iowa State Democratic Central Committee
Charles Wright - Mayor of Davenport
Deo Koenigs - farmer
Jim Hutter - Associate Professor, Department of Political Science,
Iowa State University
Doug Bailey - travel agent
Brigid Vance - Democratic Steering Committee for Carter/Mondale
Ed Davis - Owner, Farm Equipment and Motor Company
James Sarcone - Special Counsel and Finance Director, Polk County
Board of Supervisors
Juan Cortez - Chief Court Bailiff, Linn County Courthouse; Deputy Sheriff
Richard Myers - President, Hawk I Truck Stop, Inc.
David Garst - Member, Board of International Food and Agricultural
Development, AID
Bruce Rohwer - farmer
Stan Schiller - hotel owner
Marge Johnson - Iowa Democratic State Party
Jim Rielly - attorney
Martin Waldinger - Vice Chairman of the Board, Waldinger Corporation
Ned Chiodo - State Representative
Raymond Sullivan - President, Central Iowa Building Trades Council
Ray Walton - General Manager, Godwin Brothers
Jean Lloyd-Jones - State Representative
Kathy Krueger - Executive Secretary, Scott County Board of Supervisors
Doug Hart - labor relations consultant
Doris Peick - Second Congressional District Democratic Committeewoman
Norma Beecher - Carter/Mondale State Steering Committee
Mary Ellen Chamberlin - Carter/Mondale State Steering Committee
Tom Higgins - Principal Regional Official, Department of Health, Education
and Welfare
Don McKee - State Vice President for Council 61, AFSCME
James Kennedy - President, Midwest Visual Education Service, Inc.
Lorma Kunath - CWA; Clay County Democratic Chair
Gene Kennedy - Bankers Advertising
Jean Haugland - Iowa Democratic Party
Dorothy McFarland - Iowa Democratic Party
Arthur Davis - attorney

Tom Bolton - attorney
Kay Bolton - Administrative Assistant, Iowa State Senate
Bass Van Gilst - State Senator
Joe Straub - attorney
Clayton Hodgson - Farm Representative for Congressman Berkley Bedell
Marie Jahn - Le Mars
Pat Gilroy - realtor's associate
Phil Davitt - State Representative
Lyle Scheelhaase - farmer; former Chairman, Iowa House Agriculture
Committee
Minnette Doderer - former President Pro Tempore of the Iowa Senate;
Iowa Health Facilities Council
Vera Grissom - Bettendorf School System
Glenn Smith - attorney
Dagmar Vidal - Democratic National Committeewoman
Pat McCabe - Vice President, Arnet-McCabe and Company, Inc.
Joan Greene - Carter/Mondale Steering Committee
Darrell Neal - Appanoose County Auditor
James Eddy - Appanoose Democratic County Chairman
Roxanne Conlin - United States Attorney
Lloyd Hayes - Chairman of the Board of Supervisors, Dubuque County
Henry Cutler - Waterloo
Robert Simpson - economic development planner
Neil Hamilton - Assistant Attorney General, Farm Division, State of Iowa
Cornelius Bodine, Jr. - President, Business-Government Interaction, Inc.
Bill Monroe - former legislator; pharmacist
Marilyn Larson - Des Moines County Recorder
Katie Pappas - Mason City
Ray Youngers - President, Rensink and Youngers Realty, Inc.
Nolden Gentry - attorney
Dave Nagle - attorney
Charles "Bill" Hutchins - State Senator
Dean Sunde - farm advisor
Leonard Dostart - businessman
John Fitzpatrick - Administrative Assistant to Congressman Tom Harkin
Phyllis Hughes - attorney; department store owner
John Brunow - Moravia
Bob Krause - Transportation Manager, Land O-Lakes
Herb Gates - Business Manager and Secretary-Treasurer, Central Iowa
Building Trades Council
Jim Reynolds - United States Attorney
Jo Ann Reynolds - Carter/Mondale Field Staff

Miriam Schultz - Vice Chair, Wapello Democratic Central Committee
Ardella Hodgson - Le Mars
Julia Luke - Carter/Mondale Steering Committee
Marilyn Davis - Registered nurse
Park Rinard - Administrative Assistant to Senator John Culver
Jerry Farrell - Des Moines
Gail Bockelman - Hampton
Joyce Lonergan - State Representative
Norman Rodgers - State Senator
Ken Robinson - Mayor of Bayard
Mary Louise Robinson - Bayard
Bettie Jane Bibler - teacher
Paul Wise - Avoca
Woody Diehl - farmer
Robert Creech - Dallas Center
Harry Powell, Sr. - farmer
Steve Blank - Vice President, Central States Theater Corporation
Tom Kamm - chemist; Muscatine County Democratic Chair
Ed West - Chairman, Linn County Democratic Central Committee
Louis McEnroe - farmer; real estate; Kossuth County Democratic Chair
Cecelia McGuire - Democratic precinct worker, Kossuth County
Phil Rodgers - Des Moines County Democratic Party
Margaret Collison - League of Women Voters
Joe Schmitz - farmer
Pat Deluhery - State Senator
Carol Brannon - psychiatric nurse; Vice Chair, Story County Democrats
Harland Johnson - State Chairman, Agricultural Stabilization and
Conservation Service
Dale Nicoson - Middle East specialist, Gordon Fennell Company
Mary Jo Loveland - paralegal, Legal Services Corporation
Hurley Hall - State Representative
Dick Vander Woude - Government Relations Consultant, NEA
Esther Sears - former Assistant Director, Reading Clinic, University
of Northern Iowa
Harold Roberts - Creston News Advertiser
Mary O'Halloran - Regional Representative, Department of Energy
(Region 7)
Harold Schiebout - Utilities Superintendent, City of Sioux Center
Dale Cochran - State Representative
Sam Garst - Assistant Sales Manager, Garst and Thomas Hybrid Corn
Company
Jim Gannon - Executive Editor, Des Moines Register and Tribune

Melissa Hubbard - Administrative Assistant, WMT-TV; Secretary,
Iowa State Democratic Party
Bill Smith - President, Meneough and Associates
Daniel Jay - State Representative
Floyd Gillotti - Deputy Auditor, Polk County
Michael Mauro - Des Moines
Tom Dawson - Congressman Neal Smith's office
Don Davis - Perry Daily Chief Managing Editor
Dawn Connet - student, Iowa State University
Barry Piatt - Staff of Representative Tom Harkin
Congressman Berkley Bedell
Congressman Neal Smith
Joan Glaza - Clerk of the District Court, Blackhawk County
Gregory Cusack - State Representative
Fredine Branson - Iowa City
Nicholas Lucy - Dubuque
Joe Brown - State Senator
Emma Arndt - Democratic County Chairman, New Hampton
William Trout - Attorney; president, broadcasting corporation
John Tinley - Shenandoah
Lorne Worthington - West Des Moines
Veneta Worthington - West Des Moines
Beverly Hofn - Office Deputy, Davis County Sheriff Department
Helene Hurley - Clayton County Recorder
Jerald Fuerstenberg - Bremer County Auditor
Robert Jacobsen - tool maker
Don Beason - General Manager for a cemetery association
John Nagle - attorney

Sally Hassenfritz - Mount Pleasant
Agnes Brewton - Des Moines
Dorothy Kerkhoff - Audubon
Orville Kerkhoff - Audubon
Mike Vance - Mount Pleasant
Irene Anderson
Jeanne Bridenstine - Newton
Jerry Roberson - DeWitt
Greg Nichols - Knoxville
JoAnn Baumhover - Wall Lake
Sam Wise - Altoona
Leo Hansen - Audubon
Pat Kane - Cedar Rapids
Mary Jane Weisshaar - Creston
Mary Bell - Sioux City
Harris Honsey - Lake Mills Graphic
Suzanne Blouin - Alexandria, Virginia
John O'Neill - Iowa City
Mary Baux - Bussey
Dick Fleming - Fort Dodge
William Matthey - Missouri Valley
Ken Tilp - West Des Moines
Harry Helgeson - Lake Mills
Andy Frommelt - Dubuque
Joe Welsh - State Representative, Dubuque
J. F. Hladky - Pres. & Publisher, Cedar Rapids Gazette
Alvin Ohrt - Toledo

THE WHITE HOUSE

WASHINGTON

Administrative / Confidential
~~SECRET-SENSITIVE~~

October 4, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: LLOYD N. CUTLER *LNC*

SUBJECT: Comments on Senator Nunn's Defense
Budget Position

This refers to our conversation two weeks ago about Sam Nunn's reaction to my public comments on his statement last July about SALT and the defense budget. Charles Kirbo also mentioned the same point to me today.

I have now discussed the matter with Sam Nunn. As you will see from the enclosed copies of my public comments on July 26 and his speech of September 7, his concern was not with my comments, but with subsequent "background" statements from unnamed officials questioning whether Defense really needed any more money. He had some concern that I might have originated or orchestrated these background comments, but I assured him today that was not true.

I believe he is still a strong possibility for SALT provided that before the Senate vote the Senate gets a preview of your 1981 defense budget, and he is generally satisfied (regardless of percentage increase) that it meets the 1981 essentials of the Five Year Defense plan.

LNC

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MEMORANDUM

THE WHITE HOUSE
WASHINGTON

October 9, 1979

7:00/7:30

TO: The President and Mrs. Carter

FROM: Fran Voorde *Fran*

THRU: Phil Wise *Phil*

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RE: DNC Fundraising Buffet Dinner, Tuesday, October 9

LOCATION: John and Nellie White's home

TIME: 7 - 10 p.m.

PARTICIPANTS: Approximately 30 couples, at \$5,000/couple, primarily from Texas, Louisiana, Arkansas, Oklahoma and New Mexico (list attached).

FORMAT: Very casual. No receiving line. You and Mrs. Carter will be able to move freely among the guests, before you bring brief remarks. Following your remarks, the buffet dinner will be served.

Chairman White is very hopeful you will be able to stay longer than an hour. He wishes to emphasize that you will be among friends--a very supportive group that has contributed heavily to the Party--and hopes that given the casual setting you will feel comfortable about staying.

SPECIAL NOTE: Today is Helen Strauss's birthday, and all the guests will be given champagne in her honor upon arriving. The Strausses must leave early but, if she is still there when you arrive, it is hoped that you will lead a brief birthday toast on her behalf.

Today is also John Hill's birthday (former Texas Attorney General and Democratic candidate for governor in the last election). You may wish to toast him at the same time, or later during your remarks.

ADVANCE: Marcia Garrett of Fran's staff.

GUEST LIST

John White Fundraising Buffet Supper
Tuesday, October 9

John C. and Nellie White
Robert and Helen Strauss
Lowell Lebermann
Patricia Patterson
David Jaderlund (aide)
George and Valarie Bristol
Ray Clymer and Judy P. Murphy
Morris and Lisa Jaffe
Frank and Lupe Sepulveda
Harry and Rotha Blumquist
John and Frances Camp
Francis and Lou Benezech
J. E. (Ed) Kyle and Marilyn Roy Fournet
John and Anna Marie McMillian
Billy Ray and Sharon Gowdy
Lee Swift and Karla Smith
Joseph and Gloria Stone
Michael and Eileen Lipton
Loyd and Norma Hackler
Jim and Shirley Dannenbaum
Ken and Anne Cunningham
J.D. and Carol Williams
John and Bitsy Hill
Sam Stone
Bob and Barbara Forte
Douglas and Betsy Costle
Sarah Weddington
Peter Kelly
Charles Manatt
Secretary and Mrs. William Miller
Secretary and Mrs. Charles Duncan
Senator and Mrs. Lloyd Bentsen
Senator and Mrs. David Boren
Congressman and Mrs. Jim Wright
Mr. and Mrs. Berl Bernhard
Harry McPherson

STAFF

John White Supper

Nick Rizzo

--Assistant Treasurer, DNC

Bob Neuman (and Lois Ramano)

--Director of Communications and
Deputy Chairman, DNC

Janet Moscicki

--Chairman White's private secretary

Anne Macy and Karen Ford

--with George Bristol

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT & MRS. CARTER'S ATTENDANCE AT
THE JOHN WHITE DNC FUNDRAISING DINNER

October 9, 1979

7:25 pm The President & Mrs. Carter board motorcade.

7:30 pm MOTORCADE DEPARTS South Grounds en route residence of Chairman John White.

7:35 pm MOTORCADE ARRIVES residence of Chairman White.

The President and Mrs. Carter will be met
by:

Mr. & Mrs. John White (Nellie)
Mr. & Mrs. George Bristol (Valarie)

7:40 pm The President and Mrs. Carter proceed upstairs in residence to informally greet guests.

c. 8:10 pm Presidential remarks.

8:15 pm Remarks conclude.

The President and Mrs. Carter thank their hosts and proceed to motorcade for boarding.

8:20 pm MOTORCADE DEPARTS Chairman White's residence en route South Grounds.

8:30 pm MOTORCADE ARRIVES South Grounds.

7:30 p.m.

THE WHITE HOUSE

WASHINGTON

October 9, 1979

MEMORANDUM FOR THE PRESIDENT

From: Rick Hertzberg *Lick*
Chris Matthews *cjm*

**Electrostatic Copy Made
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1. I would like to thank Nellie and John for having Rosalynn and myself over this evening. I think it is wonderful that we are all getting the opportunity to enjoy their beautiful -- highly celebrated -- home.

2. Some of you may have missed the nice article that the Washington Star ran on Sunday describing Nellie's flair for remodeling. It went on in great detail how she had been able to restore over a dozen townhouses back in Texas, how it was really quite miraculous what she would accomplish with limited materials -- even with a delapidated boarding house -- and that there was really no remodeling challenge too great for her.

3. The first thing I want to do this evening is salute Nellie not only for her design skills but her press relations.

Secondly, I want to say that what John and Nellie have done with this wonderful house, John and I are trying to do with the Democratic Party -- and the nation as a whole. We're trying to take what is essentially a healthy structure and refit it to meet the needs of the 1980's. I want to thank all of you here tonight for helping us get the job done.

4. The great strength of our party, I believe, is its ability to respond imaginatively to the nation's emerging challenges. We did it in the Great Depression, in World War II, we did it with the Marshall Plan and later with the Apollo program.

5. In every one of these cases our Party has led the nation by applying new approaches, new solutions to new challenges. We did so not by offering the simple answers of the past, not by burying our heads in the sand, but by facing up to our new challenges head on.

6. With your help, we are doing the same today. You all know the times are over when the United States can shoot itself out of every problem overseas or spend itself out of every problem at home. We are building an economic foundation capable of withstanding the great inflationary pressures from abroad. We

are helping to make government itself more productive, more efficient, and less intrusive in people's lives.

7. I know that you good people share my dream of a world at peace, of an American society where all people can earn a decent living and enjoy the full benefits of our free society. I know that you share those dreams. The fact that you have come here this evening, to help the Democratic party is proof that you are willing to do more than dream.

#

THE WHITE HOUSE

WASHINGTON

09 Oct 79

Frank Moore

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

Rick Hutcheson

Phil Wise
Jack Watson

THE WHITE HOUSE
WASHINGTON

*Frank
proceed
J*

October 5, 1979

MEMORANDUM FOR: THE PRESIDENT
FROM: FRANK MOORE *fm.*
BILL CABLE
SUBJECT: Congressional Visits

**Electrostatic Copy Made
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This is in response to your request that we devise a better system of "reaching" and communicating with Members of Congress on a non-issue or non-vote basis. The purpose of such a system, as we see it, would be fourfold:

1. To seek Members' opinions on the job we're doing and general suggestions on ways in which we can work better with them.
2. To enable them to use us as a means of communicating with you (i.e. to make it clear to them that they can pass their views and suggestions directly through us to you).
3. To solicit a few specific requests (e.g. a problem with an agency, a constituent matter, a letter from you) on which we can follow up and produce results for them.
4. To establish a dialogue free of the pressures of an immediate vote or specific legislative problem.

To implement the program, we propose to use the services of not more than six people who are currently on our staff, the OMB staff, or at an agency. The project would be added to their ongoing responsibilities. As we get out of the budget season, and as priority legislative items such as Department of Education are passed, some of our WH Congressional Liaison lobbying staff will be freed up to take on new projects. They would be organized more or less as an informal (and untitled) task force. The group would supplement the existing

Congressional Liaison staff and work under our direction and guidance. They would meet on a regular (weekly, at minimum) basis with our staff. They would individually visit Members of the House on a Democrat-first targeted list and report back through our Legislative Coordination staff, who would bear primary responsibility for organizing and coordinating the effort. However, individuals on the task force would be responsible for turning in written reports on the meetings and for the necessary follow up.

The written report would be an individual assessment of the meeting. It would cover issues and concerns expressed by the Member and specific actions requested, as well as specific actions taken by the staff member. The report would be updated, in writing, as follow-up was completed.

The follow-up would involve, where appropriate, preparation of a note from you to the Member reflecting your interest or appreciation as the occasion would demand. Follow-up would also require, in some cases, working through our CL Legislative Coordination office to obtain desired requests from an agency or working through other White House offices on constituent or personal matters. In all cases, we would have to expect cooperation from the other offices involved.

Examples of the proposed written report and the draft Presidential letter to the Member are attached (Example 1 and Example 2). It should be noted that the Marvin Leath conversation actually occurred. If we had in place the mechanism described above, we would be in a better position to pick up information such as this, convey it to you and the staff, and respond appropriately to the Member.

It is obviously important to select people who are sensitive to what we want to accomplish by this exercise. We can not, nor do we desire to, automatically do whatever a Member asks, but we need to be responsive and as helpful as possible. We want this to be a demonstration of competence and new attitude and if done properly it can be just that; if done poorly or without support within the Administration, it could be a disaster.

In order to accomplish this we suggest that you do two things. First, after we have identified our group, meet with them and tell them what you expect them to accomplish. Second, inform the Cabinet that we are systematically engaging in this program and that you expect them to have their agencies fully support

your efforts. They are the people with the day-to-day line responsibility to grant these requests. Frank can also bring this up at our weekly meeting with Assistant Secretaries for Congressional Liaison to further reinforce its importance.

Example 1

THE WHITE HOUSE

WASHINGTON

October 4, 1979

MEMORANDUM FOR FRANK MOORE

FROM SARGE CARLETON

Earlier this week, in the course of a conversation about the Second Budget Resolution with me, Congressman Marvin Leath (D-Texas) made this observation which I share with you:

"I know my district and what the people out there want and I just can't be with you on this. And I may not have that good a score on the President's computer (note: it's 00%) but I'll tell you one thing, if he asks me a direct question I'll give him a direct answer; and if he asks me who I'm supporting in 1980, it's Jimmy Carter. He's my President now and I want him to be my President then. And, if someone asks me, what I probably won't say out loud about Teddy Kennedy is, 'he can kiss my ass.'"

I attach a note for the President's signature which he may wish to pass on to Congressman Leath.

cc: Bill Cable
Coordination Unit

Example 1

Example 2

DRAFT

THE WHITE HOUSE
WASHINGTON

October 4, 1979

Dear Marvin:

I have just learned of your telephone conversation with a member of Frank Moore's staff regarding the Second Budget Resolution. While I am sorry you are unable to support the Resolution as Bob Giaimo's committee reported it, I am delighted with your strong expression of personal support for me now and in 1980.

Sincerely,

The Honorable Marvin Leath
1331 Longworth Building
Washington, D.C. 20515

DRAFT

Example 2

THE WHITE HOUSE
WASHINGTON
10/9/79

The Vice President
Sarah Weddington

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

Rick Hutcheson

ADMINISTRATIVELY CONFIDENTIAL

~~CONFIDENTIAL~~



THE VICE PRESIDENT
WASHINGTON

October 9, 1979

Zwiz
Search
Wider
J

MEMORANDUM FOR THE PRESIDENT

FROM: THE VICE PRESIDENT *Wp*

I have now talked with both Bill Moyers and Sol Linowitz, at your request. Bill will get back to me tomorrow and I believe Sol will give his answer by tomorrow.

I am not at all certain that either will accept and, for that reason, I believe we'd better throw a much wider net out to review other possibilities as well.

I told each of them that they were being considered among others, at your instructions. Do you want me to do further work on this?

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"THIS DOCUMENT TO BE AN ADMINISTRATIVE MARKING
CONSISTENT WITH E.O. SEC. 1.3 AND
REYNOLDS'S MEMO OF MARCH 26, 1963"

~~CONFIDENTIAL~~