

**1/7/80 [1]**

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo w/att	Zbig Brzezinski to the President. Re: Letter to President Royo of Panama. (4 pp.)	1/5/80	A
<del>draft</del>	<del>Re: Speech on Soviet invasion of Afghanistan</del> <del>(11 pp.)</del> OPENED 8/27/93	<del>1/3/80</del>	<del>A</del>
memo w/att	<del>Stu Eizenstat and Al McDonald to the President</del> <del>Re: Speech draft on Afghanistan. (2 pp.)</del> opened per RAC NLC-126-20-1-1-7 12/11/13	1/4/80	A
memo w/att	Charlie Schultze to the President. Re: Economic impact of Soviet grain embargo (7 pp.) Opened 2/2/93.	1/3/80	A
memo w/att	Lloyd Cutler and Stu Eizenstat to the President. Re: Grain embargo. (5 pp.)	1/3/80	A

FILE LOCATION  
Carter Presidential Papers- Staff Offices, Office of Staff Sec.- Pres. Handwriting File, "1/7/80 [1]." Box 163

RESTRICTION CODES  
(A) Closed by Executive Order 12356 governing access to national security information.  
(B) Closed by statute or by the agency which originated the document.  
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draft submitted from  
~~speechwriters~~....separate  
list of president's notes  
plus editing -- which the  
president then dictated  
into "Draft #1"

POTUS - "A" - 1/4/80

S/P Draft #8  
1-3-80

*Am. Muslim*

~~SECRET~~

I.

By its brutal invasion of Afghanistan, and by its continuing military occupation of that country, the Soviet Union has created a clear danger to world stability.

c.v.

By moving fifty thousand Soviet troops into Afghanistan; by <sup>complicity</sup> ~~conspiring~~ in the murder of that country's President; by fighting and attempting to overwhelm Afghanistan's armed forces; by forcibly installing a puppet regime in the capital; by continuing its military actions to this day; and by weaving a tissue of fabrications to veil its aggression, the Soviet Union has laid bare its intention to destroy the independence of Afghanistan: to hammer a small but sovereign country into the new shape of a captive state.

Moreover, this naked Soviet aggression has ominous implications for other nations beyond Afghanistan. It endangers the security and independence of Pakistan, Iran, and other nearby countries. It threatens the stability of a vital -- and volatile -- region of the world. It says to the world that no free country, if it is small and weak, is safe from Soviet attempts to extend its influence.

Since the Soviet invasion of Afghanistan, I have consulted widely with chiefs of government around the

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E.O. 12356, Sec. 3A

PER 31053 NKC HURE MR-ALL-92-175  
BY *[Signature]* NARS. DATE 7/28/93

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- 2 -

world and in the region most vitally affected. I have found wide agreement that the acts of the Soviets deserve not only emphatic condemnation, but a resolute response. Congressional leaders, with whom we are working closely, have expressed the same view.

It has been, and will remain, the policy of the United States, in keeping with the UN Charter and in concert with those who respect and observe the Charter, to uphold the principles of national independence and of freedom from armed aggression.

It has been, and will remain, the policy of the United States to demonstrate, in concert with others, that armed aggression across international boundaries and other outrages against international law cannot be committed without *serious* consequences to the violators.

It has been, and will remain, the policy of the United States to help other countries in their efforts to maintain their independence and to strengthen themselves against aggression.

These policies undergird the actions which the United States is taking and which I am announcing today.

## II.

The first action deals with the response of the world community to this aggression.

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I have instructed the United States Mission to the United Nations to support the widespread call for immediate action by the U.N.<sup>c</sup> concerning the Soviet move into Afghanistan.

III.

The second set of actions I am announcing today concerns relations between the United States and the Soviet Union.

Since World War II, United States foreign policy has been guided by our understanding that world peace depended in large measure upon the relationship between our two great powers. The United States has therefore made strenuous efforts to reduce tensions, to broaden trade and cultural exchanges, and to achieve effective arms limitation agreements with the Soviet Union.

We remain committed to such an easing of tensions. This Soviet aggression, however -- and the grave implications it raises for the future -- constitutes a serious blow to relations between the two powers. The Soviet Union, if it chooses, can take steps to repair the damage it has wrought.

Meanwhile, however, it must bear responsibility for jarring the hopes of millions of people around the world for a lessening of tensions between the United States and the Soviet Union.

I have recalled the United States Ambassador to the Soviet Union from Moscow to Washington. He will join me and my senior advisers in an immediate and comprehensive evaluation of our relations with the Soviet Union. We will consider, specifically and rigorously, the whole range of U.S.-Soviet relations.

Then GA

No  
business  
as usual

In the meantime, <sup>because</sup> in view of the Soviet aggression, I have asked the Majority Leader of the United States Senate to defer, for the time being, the Senate's consideration of the SALT II Treaty.

The successful negotiation of this treaty has been a major goal -- and a major achievement -- of this Administration. I remain hopeful that the treaty will be ratified -- because, by erecting limits to the strategic arms competition, it will contribute to the military security of the United States. I will keep the matter of ratification of SALT II under active review, in consultation with the leaders of the Senate. And I have asked that it remain on the Senate calendar. But Soviet behavior has created a climate which we cannot ignore and which makes necessary <sup>the</sup> this deferral of Senate debate on the matter.

In such a climate, it is inevitable also that trade and other exchanges cannot proceed normally.

I have therefore directed that no sales of high-technology items to the Soviet Union be licensed until a close and stringent review of each has been completed.

I have also directed the Department of State to withhold any further allocations to the Soviet Union for fishing rights within the U.S. 200-mile fishery zone. This action will result in the immediate loss to the Soviet fish industry of approximately 360,000 tons.

I have issued orders that Soviet commercial activity in the United States be reviewed with an eye to limiting it to current levels. And I have ordered that there will be no increase in the frequency of Soviet commercial flights to this country.

I have directed that new grain shipments to the Soviet Union be suspended. [Alternative formula: that further sales of grain to the USSR be suspended.] I will take the necessary steps to minimize the adverse impact of this action on American farmers.

~~SECRET~~

- 5 -

I have also ordered that all but the most essential exchanges, cultural and otherwise, currently under consideration with the Soviet Union be deferred or suspended. For example, the United States is canceling the following planned meetings and exchanges with the Soviet Union:

- We will defer a scheduled meeting of the Joint Committee on Agriculture later this month.
- We will not hold a meeting, scheduled for February in Moscow, of the US-Soviet Joint Committee under the Cooperative Agreement on Housing and Other Construction.
- We will suspend plans for a Joint Commercial Commission meeting, which was to be held in Washington in April.
- And we are deferring, until further notice, further activities under the joint US-Soviet Energy Agreement.

In addition, I have instructed that plans to establish a Soviet consulate in New York City and a US consulate in Kiev be suspended. Also, in keeping with the principle of reciprocity, Soviet diplomats will not be allowed to occupy the new Soviet Embassy building in Washington until American diplomats in Moscow can occupy the new American Embassy building there. And we will enforce strict reciprocity in restrictions on official Soviet travel in the United States.

*Diplomats* I have also ordered that the number of Soviet news media personnel in the United States will be reduced to the same level as US media personnel in the Soviet Union.

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IV.

The third set of actions I am announcing today concerns our relations with other nations, particularly those in the vicinity of Afghanistan.

We have just completed consultations with a number of our Allies concerning Soviet actions in Afghanistan. Their concern is as strong as our own. We have agreed on the importance of bilateral and multilateral steps designed to make clear to the Soviets that their actions will have significant consequences.

I have directed Secretary of Defense Brown, on his forthcoming visit to the People's Republic of China, to make the implications of the Soviet invasion of Afghanistan a central topic of discussion. We share Chinese concern about the consequences of this Soviet action for the security of the region.

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-7-

I am consulting with Congressional leaders on ways in which the United States Government can provide military equipment, food and other assistance to Pakistan to help that nation, which borders on Afghanistan, deal effectively with the seriously increased threat it faces from the North.

The United States stands ready also to help other nations in the region in similar ways.

The United States will maintain its recently augmented naval presence in the Indian Ocean and the Persian Gulf. We have taken steps to ensure our capacity to maintain complete military strength and readiness in that region as circumstances require.

As I made clear last month when I proposed an augmented defense budget, the United States will provide the resources necessary to protect the peace, to help its allies and friends, and to defend its interests.

About our willingness, our determination and our capacity to take the measures I have outlined, neither our allies nor our adversaries should have the slightest doubt.

V.

History teaches few unambiguous lessons. But surely one such lesson, learned by the world at great cost, is that aggression unopposed becomes a contagious disease.

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~~SECRET~~

-8-

The response of the international community to the Soviets' attempt to subjugate Afghanistan must match the gravity of the Soviets' action.

The United States, for its part, will meet its responsibilities.

#####

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There: Outrage & impatience  
Iran - Hostages - safe - home - avoid blocked  
Int law support of world

~~Pakistan~~  
Afghan (non-aligned) Serious new development - drastic departure  
from recent SU policy - Most serious  
development since WW II - Invasion of  
a sovereign nation which had hitherto  
not been an <sup>occupied</sup> satellite of the SU. Massive invasion  
force - ~50,000 troops - by air and across  
border - now dispersed throughout Af.  
Leader who Soviets claim invited them  
in assassinated - along with his family -  
while successor was not even in Afghan.

Extremely serious threat to peace - both  
involving danger of further <sup>SU</sup> expansion  
into neighboring <sup>SW Asia</sup> countries, and use thereof  
to other people throughout the world.  
A callous violation of international law  
and the UN Charter

Major effort of atheistic Soviet govt to  
subjugate ~~Muslim~~ independent Muslim people  
of Afghan.

World cannot stand by and permit  
the Soviets to commit this act with  
impunity. We and 74 other nations,  
large/small, W/E, Ch/Mus have petitioned the  
SC to condemn the SU and demand the  
immediate withdrawal of all Soviet troops

Along with other permanent members, The Soviets have right to veto SC action. If ~~this~~ ~~short~~ will of SC should be subverted in this manner, an immediate action by the GA would be appropriate.

In the meantime, we and other like-minded nations committed to world peace and stability cannot continue business as usual with the Soviet Union.

a)

b)

c)

Along with other concerned nations, we will provide to Pakistan and perhaps others incurred military & economic aid for defense against possible future Soviet aggression.

Strategic importance of Afghanistan - We want all nations in the region to be free and independent. If the Soviets are encouraged by their invasion of ~~Af~~ to ex- maintain their subjugation of Afghan and then to extend this kind of action to other parts of the region, the <sup>stabil</sup> strategic and peaceful balance of the world would be threatened, in changed. This would threaten the security of <sup>all nations including</sup> the United States, our allies and friends, and other nations

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

~~CONFIDENTIAL~~  
ATTACHMENT

January 3, 1979

C

MEMORANDUM FOR THE PRESIDENT

From: Charlie Schultze <sup>C.S.</sup>

Subject: Economic Impacts of a Soviet Grain Embargo

The Soviets have agreed to purchase 25 million metric tons of wheat and feed grains (probably split 7 mmt wheat and 18 mmt feed grains). Most of this grain has already been sold; 19 mmt of identified sales to the Soviets and a large portion of the 7-1/2 mmt sales to "destination unknown." About 4-1/2 mmt have been shipped.

At least two levels of embargo might be considered:

- o the 20 mmt tons of unshipped grains
- o 17 mmt tons, which is the excess of Soviet purchases above an 8 mmt basic amount, with which we have agreed (in the Soviet-U.S. grain agreement) not to interfere.

The following analysis assumes an embargo of 20 mmt (5 mmt wheat and 15 mmt feed grains) which, to a first approximation, would represent the impact of either case.

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10/10/10



Assessing the impact on the value of the dollar in exchange markets becomes very difficult. A strictly mechanical calculation suggests that it would take a dollar depreciation of about 2 percent to increase other exports sufficiently to make up for the loss of \$3 billion in farm exports. However, the major impact on the dollar is likely to be psychological, and there are offsetting considerations:

- o The potential long-term loss of U.S. agricultural markets, and more importantly, the perception of traders in foreign exchange markets, could have a significant impact. The embargo would come on top of the Iranian asset freeze which has already had some downward effect on the dollar.
- o On the other hand, it is at least conceivable that a relatively quick and firm response to the Soviets would strengthen long-term confidence in the U.S. and in very indirect ways strengthen the dollar.
- o The Treasury Department, in an attached memo, says that the downward pressure on the dollar could be significant.

### 3. Effects on the U.S. domestic economy.

If no special actions were taken to moderate the loss in markets and associated reduction in grain prices, U.S. farmers would lose in the neighborhood of \$3-1/2 billion in 1980.

In the longer term, if this action led to a Soviet policy change deemphasizing grain imports and domestic meat production, there would be a continuing depressing influence on U.S. farm income, and continuing upward pressure on budget outlays.

The extent to which there are long-term repercussions outside of the Soviet Union will depend importantly on our success in making a convincing distinction between the "economic" embargo of 1973 and a "national security" embargo of 1980.

With no special moderating action taken to offset the decline in grain prices (15¢ per bushel for corn and 25¢ for wheat and soybeans) an embargo would lead to a fractional (possibly a 0.2 percent) one-time reduction in the CPI for food. This translates into a 0.04 reduction in the overall CPI.

It has not been possible in the time available to examine the steps that could be taken (and at what costs) to reduce the impact of an embargo on farm prices and incomes. A very rough preliminary judgment is that changes in the grain reserve program and the possible imposition of set asides could offset perhaps \$1 billion in income loss and up to \$2 billion in reduced cash receipts.

While it would be difficult (or impossible) to offset fully the farm income effects of an embargo, all reasonable steps should be taken to offset as much of the drop in farm income as possible.

#### 4. Budgetary costs.

Even if no special steps were taken to reduce the impact of an embargo on farm income, some additional budgetary costs would be incurred, initially because of additional entry of grain into the farmer-owned reserve program. This would add about \$1-3/4 billion to FY 1980 budget costs. In the FY 1981 budget, deficiency payments would probably increase, perhaps by \$1 billion.

Additional budgetary costs would have to be incurred to the extent that actions were taken to moderate the effect of the embargo, although this would to some extent be offset by lower deficiency payments in FY 1981.

#### 5. Effects on the Soviet Union.

To the extent the Soviets were prevented from obtaining grain they had counted upon, a U.S. embargo would generate pressure on the Soviets to cut back livestock herds. If fully passed through to the Soviet livestock sector, an embargo by all major grain exporters would decrease available feed supplies by approximately 13 percent. A "U.S. only" embargo would reduce supplies by 6 percent. The former would lead to a reduction in Soviet per capita meat production of about 8 percent; the latter probably could be absorbed with only a small change in meat output.

However, an embargo might well have a larger effect; in particular, it would call into question the viability of the Soviet policy of building up livestock production by making heavy use of imported grain during years of poor Soviet crops.

ooooo

It should be kept in mind that all of the above estimates are very rough. In particular, the estimates of the impact on the domestic economy and on the budget need much further work.

~~CONFIDENTIAL~~

## Impact of Restrictions on Soviet Grain Purchases

A restriction on grain exports to the Soviets to 8 million tons would reduce the value of exports during the 1979/80 agreement year -- by at least \$2 billion. This could lower prices to domestic and foreign customers, since domestic and foreign demand outside the Soviet trade, plus increased incentives to divert grain to reserves, would help keep prices near current forecasts. If this does not occur, however, the loss might be as much as \$3 billion. To the extent that grain importers and other exporters fail to cooperate in restricting grain shipments to the USSR, the fall in price and value of exports would be smaller.

The dollar is presently under severe pressure in the exchange markets because of apprehension about actions the U.S. has taken and may be forced to take in response to the Iranian and Afghanistan situation. Because it will weaken the U.S. balance of payments position, an embargo against grain exports to the USSR will confirm this apprehension and almost certainly lead to increased pressure on the dollar. Since pressures in the exchange markets have a high quotient of psychology, it is not possible to predict with any assurance how serious this pressure might be, but in Treasury's judgment at this time, when the dollar is at an all time low against the mark, the impact could be significant.

The most significant impact of such restrictions is that they will further damage the U.S. posture as a reliable supplier of agricultural exports. Our regular customers will cite the action as another justification for diversifying their sources of supply. In the aftermath of the U.S. embargo of soybeans in 1973, Japan aggressively sought increased soybean supplies from Brazil on a long-term basis, a response which could very well spread to corn and wheat -- with more countries likely taking action to be less dependent on U.S. exports. The result will be slower growth in U.S. agricultural exports, undercutting our efforts to correct our balance of payments and dollar exchange problems. More directly, a curtailment of Soviet access to the U.S. market will eliminate a rapidly growing market for U.S. agricultural products which had been considered a major positive factor in expanding U.S. exports.

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E.O. 12356, Sec. 3.4

PER 1/21/93 JRE MP-MAC-92-176  
BY J2 NARS DATE 1/29/93

Hazen Gale, ICR  
January 3, 1980

Classified 1/3/80 by Robert Carswell  
Review for declassification 1/3/85

~~CONFIDENTIAL~~

1. Effects on Soviets and U.S. depends on actions of other countries.

If the U.S. imposed a unilateral embargo of 20 mmt, with no cooperation from other countries, about half of the Soviet shortfall in imports from the U.S. would be made up from two sources: additional shipments from other grain exporters, and transshipments and rerouting.

At the other extreme, an agreement by NATO countries and other grain exporters to join in the U.S. embargo would give sufficient force to the U.S. action so that even with transshipments and rerouting, the Soviets would fall a full 20 mmt short in their imports. Table 1, attached, shows the various cases.

Depending therefore upon the degree of cooperation from others, the Soviets would lose somewhere between 10 and 20 mmt from a grain embargo. The lower end of this range represents only 5 percent of Soviet grain consumption. This fact emphasizes that if an embargo is to have a major effect on the Soviets, cooperation from other countries is essential.

2. Impacts of the embargo on the U.S. trade balance and the value of the dollar.

Assuming that there is some slippage through transshipments and rerouting, a 20 mmt embargo would reduce net U.S. exports by about 16 mmt. The U.S. would lose some \$3-3/4 billion in its trade balance -- \$2-1/2 billion from lower export volume and \$1-1/4 billion from the effect of lower grain prices. To the extent that actions could be taken domestically to moderate the effect of the price reduction (see below), this loss in the trade balance would be scaled down, possibly to around \$3 billion.

THE WHITE HOUSE  
WASHINGTON

January 4, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT *Stu* / AL McDONALD *Al*  
SUBJECT: Speech Draft on Afghanistan

While I have given Zbig specific comments on the speech, I did want to make a couple of general points to you (without re-arguing my opposition to the grain embargo):

1. The speech lacks any historical context. For example, the invasion of Afghanistan could be related to something people could understand such as the fascist invasion of Ethiopia in the 1930's. This would help people understand that we must show our resolve now before Russia attempts to pick off other countries in an area of vital concern to America.
2. The speech fails to convey a sense of why this particular problem is relevant to the vital interests of the United States -- for example, the fact that this places Soviet aircraft close to the Strait of Hormuz, through which we get most of our oil. Afghanistan is a very distant land and it is important that the speech convey the relevance of the invasion to America.
3. There is a great deal of vagueness in the particular sanctions being taken, some of which have no impact at all -- for example, "no increase in the frequency of Soviet commercial flights to this country." Moreover, the sanctions are thrown together without any sense of which are more important than the others. The cancelling of cultural exchanges is given more emphasis than the grain shipment suspension (if you were to make this decision).
4. If you decide on the grain embargo (where at the least we must have multi-lateral cooperation without doing serious harm to our ability to sell our products on foreign markets) it will be important to talk about the alternative program you will propose to attempt to offset the impact on farmers.

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Per: Rac Project  
ESDN: NLC-126-20-1-1-7  
BY: *KS* NARA DATE: 12/3/12

5. In the commercial trade area, Charlie Schultze, Al McDonald and I agree that it is critically important not to forego sales of items which we know for a certainty will be picked up by other industrialized countries. Otherwise, we are not punishing the Soviet Union at all but only harming ourselves by shifting business from United States industry to Western Europe and Japan. Therefore, the language here should be quite general, indicating that we are reexamining our commercial policy and being more selective and stringent on high technology items. Instead of being commended for calm, pragmatic decisions we will be justifiably accused of having acted precipitously with a short-term response that will undermine for a decade or two the development of commercial relationships which are the primary means of living together peacefully with such different political systems.

Exports will be absolutely critical to this country in this decade to offset the heavy oil bill we will be paying. But to be successful at exporting we must be a reliable supplier. The industrial market cannot be turned on and off as a commercial situation since it involves the development of longer-term design and technology relationships.

THE PRESIDENT'S SCHEDULE

Monday - January 7, 1979

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8:00 Dr. Zbigniew Brzezinski - The Oval Office.

9:30 Mr. Hamilton Jordan and Mr. Frank Moore.  
The Oval Office.

10:00 Meeting with the Cabinet. (Mr. Jack Watson).  
(2 hrs.) The Cabinet Room.

12:00 Lunch with Vice President Walter F. Mondale.  
(60 min.) The Oval Office.

1:30 Signing Ceremony - H.R. 5860, An Act to  
(10 min.) Authorize Loan Guarantees to the Chrysler  
Corporation. (Mr. Frank Moore)- Cabinet Room.

2:30 Mr. Muhammad Ali. (Mr. Louis Martin).  
(5 min.) The Oval Office.

2:45 Honorable Walter Heller - The Oval Office.  
(15 min.)

4:00 Interview with Mr. John Chancellor.  
(Mr. Jody Powell) - The Oval Office.

ACTION  
FYI

file  
David R  
will work out  
of Phil

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

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MCINTYRE
SCHULTZE
ANDRUS
ASKEW
BERGLAND
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CIVILETTI
DUNCAN
GOLDSCHMIDT
HARRIS
KREPS
LANDRIEU
MARSHALL

MILLER
VANCE
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FIRST LADY
FRANCIS
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MARTIN
MILLER
MOE
PETERSON
PRESS
SANDERS
SPETH
STRAUSS
TORRES
VOORDE
WISE

THE WHITE HOUSE

WASHINGTON

January 6, 1980

Set up mtg with  
me ~~at~~ and Bob  
and small group  
12:00 noon  
at 10 am Mon  
J

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*  
CHARLES SCHULTZE *CLS*

SUBJECT: Actions to Stabilize Grain Markets

As we recommended with your approval (after we consulted with Lloyd Cutler and Bob Bergland), the Commodity Futures Trading Commission suspended trading in wheat, corn, oats, soybeans and soy products for two days with the option of future extensions.

Stu called a meeting late tonight (Sunday) with a group which included Secretary Bergland and his staff, Jim McIntyre and his staff, Secretary Miller and Bob Carswell, Warren Christopher, Charlie Schultze and Lloyd Cutler.

We unanimously agreed on the need to supplement the actions we have previously decided on with an offer to purchase the contracts held by the major grain trading companies -- in fact, placing the federal government in the shoes of the Soviet Union. The grain so purchased would be recycled to the market as offsetting additions to the farmer-held reserve are made and as market conditions permit. The net addition in budget cost should be less than \$400 million to the program initially developed.

We believe this action is critically necessary to prevent a total collapse of grain markets with severe losses to farmers and the bankruptcy of several grain trading firms. Our initial program, on further reflection by Secretary Bergland and your other advisers, would not accomplish the result of avoiding these problems.

We can make the grain purchases under existing authority. It will, however, require legislation to permit us to move grain back into the market. To assure that this legislation does not become a Christmas tree, we will withhold formal implementation of the measures you have already approved to make the reserves more attractive until we secure authority from key Congressional leaders to our approach.

We believe it is critical for Secretary Bergland to announce the decision to purchase by mid-day tomorrow to avoid large losses in the market and avoid the appearance of confusion over the direction of federal policy. This is an unanimous recommendation (including the timing of the announcement) from all your advisors -- Jim McIntyre, Bob Bergland, Lloyd Cutler, Bill Miller, Warren Christopher, and ourselves.

Bob's announcement would stress three points: we were purchasing the contracts on corn to put farmers and others in the same position they would have been had the Russian sale gone through and to avoid chaotic market conditions; the grain so obtained would be released only in a way and over a time period so as not to destabilize the market; we would set a goal of placing in a farmer-held reserve the amounts of grain obtained by purchasing the contracts.

We would like your approval for this announcement.

THE PRESIDENT'S SCHEDULE

Monday - January 7, 1979

---

8:00 Dr. Zbigniew Brzezinski - The Oval Office.

9:30 Mr. Hamilton Jordan and Mr. Frank Moore.  
The Oval Office.

✓ 10:00 Meeting with the Cabinet. (Mr. Jack Watson).  
(2 hrs.) The Cabinet Room.

12:00 Lunch with Vice President Walter F. Mondale.  
(60 min.) The Oval Office.

12:15 *Low Income Assistance*

✓ 1:30 Signing Ceremony - H.R. 5860, An Act to  
(10 min.) Authorize Loan Guarantees to the Chrysler  
Corporation. (Mr. Frank Moore) - Cabinet Room.

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(15 min.)

+ 4:00 Interview with Mr. John Chancellor.  
(Mr. Jody Powell) - The Oval Office.

(1)

THE WHITE HOUSE  
WASHINGTON

1/7/80

pat bario--

i think this was sent  
back to your ofc. from  
susan. charles free  
who rec'd from jan in  
gift unit (rm. 62) was  
confused as to what  
happened. i don't  
remember susan's note  
verbatim but i'm guessing  
a cc went out to this guy.  
everything should have  
been kept together  
before going to files.  
can you let charles know  
details e.g. date of ack.

thanks  
any question 2246

suzanne brooke  
susan clough's ofc.

THE WHITE HOUSE  
WASHINGTON

TO: Gift Unit  
FROM: Carolyn Wimmer

The typist should have put a note on this explaining that we had responded and was sending to you for logging and filing.

There were copies of Pat Bario's letter to Vern Thompson attached to the cartoon when it was sent to Gift Unit. They were not returned to us. I assume they went to Central Files.

January 3, 1980

Dear Mr. Thompson:

I sent your original letter with the cartoon to the President and it came back with this scribbling in the corner. Thought you might like to have a copy of it.

Sincerely,

Patricia Y. Bario  
Deputy Press Secretary

Mr. Vern Thompson  
Editorial Staff Cartoonist  
Lawton Publishing Co., Inc.  
P.O. Box 648  
Lawton, Oklahoma 73502

PYB:bl

(original letter w/incoming cartoon to gift unit.)

THE WHITE HOUSE  
WASHINGTON

December 20, 1979

to → *Clearer Free*  
*Amu Cook*  
MEMO TO SUSAN CLOUGH

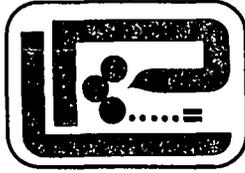
FROM PAT RABO

Perhaps you would like to acknowledge  
this one.

PYB:bl

Attachment -cartoon by Vern Thompson.

3  
Pat  
Barin



Thanks!  
Jimmy Carter

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10, DEC. 1979

DEAR MR. PRESIDENT -

ALTHOUGH MY OPINIONS, ON SOME  
POLICIES, HAVE DIFFERED WITH YOURS  
(AND I HAVE SHOWN SO, THRU MY CAR-  
TOONS), I WOULD LIKE TO SEND THIS  
NOTE OF APPROVAL ON YOUR DEALING  
WITH THE IRANIAN CRISIS - YOU HAVE  
HAD FULL SUPPORT FROM OUR PAPER,  
(MR. BILL BENTLEY - ED. & PUB.) - I  
HOPE THAT YOU WILL ACCEPT THE EN-  
CLOSED CARTOON AS A MEMENTO OF  
THAT SUPPORT -

MY PASTOR, DR. FORREST SILER, SENDS  
HIS PRAYERS -

THE ASSOC. OF AMERICAN EDITORIAL  
CARTOONISTS MEET IN WASHINGTON NEXT  
MAY AND WE SINCERELY HOPE TO MEET  
WITH YOU THEN - MAY THE LORD BE  
WITH YOU -

VERN THOMPSON -  
EDIT. STAFF CARTOONIST

1:30 PM

THE WHITE HOUSE

WASHINGTON

January 4, 1980

BILL SIGNING - H.R. 5860, An Act to Authorize Loan Guarantees to Chrysler Corporation

Monday, January 7, 1980

1:30 p.m.

The Cabinet Room

From: Frank Moore *F.M./pd*

I. PRESS PLAN

Open Press Coverage

II. PARTICIPANTS

Secretary Miller Mayor Coleman Young (tentative)

Secretary Marshall (tentative)

Governor Bill Milliken (tentative)

Senate

Senator Carl Levin

Senator Don Riegle

Senator Dick Lugar

House

Rep. Jim Blanchard (D-Michigan)

Rep. Bill Broomfield (R-Michigan)

Rep. Charles Diggs (D-Michigan)

Rep. Lucien Nedzi (D-Michigan)

Rep. Bill Ford (D-Michigan)

Rep. Robert Davis (R-Michigan)

Rep. Dick Gephardt (D-Missouri)

Rep. Bill Moorhead (D-Penna.)

Rep. Stew McKinney (R-Conn.)

Labor

Mr. and Mrs. Doug Fraser, UAW

Marc Stepp, UAW

Howard Pastor, UAW

Lane Kirkland, AFL-CIO

Tom Donahue, AFL-CIO

Ken Young, AFL-CIO

Ray Denison, AFL-CIO

Howard Samuel, AFL-CIO

Treasury Department

Robert Carswell, Dep. Secretary

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Roger Altman, Assistant Secretary  
Gene Godley, Assistant Secretary for Legislation  
Robert Mundheim, General Counsel  
Luke Lynch, Assistant General Counsel

Other

Lee Iacocca, Chairman, Chrysler Corporation  
Wendell Larson, Chrysler Corporation  
Jerry Greenwald, Chrysler Corporation  
James Wolfenson, Salomon Brothers  
Theodore Hagans, President, National Business League  
Julius Chambers, President, Legal Defense and Education Fund  
Dr. Benjamin Hooks, NAACP  
M. Carl Holman, National Urban Coalition  
Woody Etherly, Jr., President, National Black Caucus of Local  
Elected Officials  
Tommy Boggs, Washington, D.C.  
William Timmons, Washington, D.C.  
Former Rep. Joe Waggoner  
Gabriel Alberici, Chairman of the Board, Alberici Construction  
Co., St. Louis, Mo.  
John Ayres, President, Cook Paint and Varnish Company, Kansas City,  
Mo.  
John Lyons, International Iron Workers  
Charles Pillard International Brotherhood of Electricians  
Tom Bonner, Wayne State University



THE WHITE HOUSE

WASHINGTON

January 4, 1980

MEMORANDUM FOR: THE PRESIDENT  
FROM: STU EIZENSTAT *Stu*  
RALPH SCHLOSSTEIN  
SUBJECT: Chrysler Signing Statement

The attached talking points for the Chrysler aid legislation signing ceremony contain one paragraph that is critical to the success of any Chrysler aid package (talking point #6). This paragraph emphasizes that Chrysler aid legislation is only the beginning, and that Chrysler can survive only if all of the interested parties step forward with further contributions. Secretary Miller and I strongly recommend that you make this point during the ceremony.



THE WHITE HOUSE

WASHINGTON

January 7, 1980

MEMORANDUM FOR SUSAN CLOUGH

FROM: PATTI DeSOUZA *pd*

SUBJECT: Special Attendees for Chrysler Bill Signing

Susan, listed below are those individuals the President should mention at today's Chrysler Bill Signing, 1:30 p.m.:

Senator Don Riegle  
Senator Carl Levin  
Senator Richard Lugar

Rep. Bill Moorehead  
Rep. James Blanchard  
Rep. Stewart McKinney  
Rep. Lucien Nedzi

Secretary Bill Miller

> Doug Fraser, UAW  
Marc Stepp, UAW  
Lane Kirkland, AFL-CIO

> Lee Iacocca, Chrysler

THE WHITE HOUSE  
WASHINGTON

January 4, 1980

MEMORANDUM FOR THE PRESIDENT

From: Al McDonald  
Rick Hertzberg  
Achsah Nesmith *ad*

Subject: Talking Points:  
Chrysler Aid Bill  
Signing

Scheduled delivery:  
Mon., Jan 7, 1980  
1:30 P.M.

Attached are the Presidential  
Talking Points for the above event.

Clearances

Stu Eizenstat  
Landon Butler

Talking Points

Chrysler Signing Statement

1. I WISH I COULD BE IN DETROIT TODAY TO SIGN H.R. 5860, THE CHRYSLER CORPORATION LOAN GUARANTEE ACT OF 1979. I KNOW HOW MUCH THIS LEGISLATION MEANS TO THE PEOPLE OF DETROIT, AND TO THOUSANDS OF PEOPLE IN CITIES AROUND THE COUNTRY WHOSE JOBS DEPEND UPON A SUCCESSFUL CHRYSLER RECOVERY.
2. I PARTICULARLY WANT TO EXPRESS MY APPRECIATION TO SPEAKER O'NEILL, TO CONGRESSMAN BLANCHARD, WHO HEADED THE HOUSE TASK FORCE AND CONGRESSMEN MOOREHEAD AND REUSS, AND TO GIVE SPECIAL THANKS TO SENATE MAJORITY LEADER ROBERT BYRD. THE SENATORS FROM MICHIGAN, DON RIEGLE AND CARL LEVIN, MADE VALUABLE CONTRIBUTIONS, AS DID SENATORS BIDEN, ROTH AND EAGLETON. I ALSO WANT TO THANK DOUG FRASER, HOWARD PASTER, MARC STEPPE, LANE KIRKLAND AND COLEMAN YOUNG FOR ALL OF THEIR EFFORTS IN SUPPORT OF THIS AID PACKAGE. [This list will be updated by 9:30 a.m. on Mon., Jan. 7, by Patty De Souza x 7750.]
3. THIS BILL AUTHORIZES THE FEDERAL GOVERNMENT TO GUARANTEE UP TO \$1.5 BILLION IN LOANS TO BE MADE TO THE CHRYSLER CORPORATION BY PRIVATE LENDERS. THE FEDERAL GUARANTEES WILL BE PROVIDED ONLY IF CHRYSLER IS ABLE TO OBTAIN \$2 BILLION OF ADDITIONAL FINANCING COMMITMENTS OR CONCESSIONS FROM OTHER INTERESTED PARTIES. NOT ONE DOLLAR OF FEDERAL GUARANTEES WILL BE PROVIDED WITHOUT REASONABLE ASSURANCES THAT THE ENTIRE FINANCING PACKAGE WILL BE PUT IN PLACE.
4. AS I HAVE STATED ON MANY OCCASIONS, I DO NOT BELIEVE THAT THE FEDERAL GOVERNMENT SHOULD PROVIDE FINANCIAL AID TO AILING

PRIVATE CORPORATIONS UNDER NORMAL CIRCUMSTANCES. THIS BILL DOES NOT SET SUCH A PRECEDENT BECAUSE CHRYSLER'S SITUATION IS UNIQUE. CHRYSLER'S ABILITY TO RIDE OUT THIS FINANCIAL CRISIS WILL HAVE MAJOR ECONOMIC IMPACT ON A NUMBER OF CITIES AND WILL TOUCH THE LIVES OF PEOPLE IN EVERY AREA OF THE COUNTRY. CHRYSLER HAS THE MOST DIVERSIFIED WORKFORCE IN THE NATION. I BELIEVE IT IS IN THE BEST INTEREST OF ALL OUR PEOPLE TO TRY TO HELP CHRYSLER RETURN TO ITS FORMER POSITION AS A HEALTHY AND COMPETITIVE AUTOMOBILE MANUFACTURER.

5. THIS LEGISLATION DEMONSTRATES THAT THE FEDERAL GOVERNMENT -- BOTH THE CARTER ADMINISTRATION AND THE CONGRESS -- CAN RESPOND QUICKLY WHEN CONFRONTED WITH AN EMERGENCY.

6. ENACTMENT OF THIS LEGISLATION IS ONLY THE BEGINNING. WE NOW MUST TURN FOR HELP TO THOSE WITH A REAL ECONOMIC INTEREST IN THE COMPANY. CHRYSLER WILL NOT SURVIVE WITHOUT THEIR FULL COOPERATION. THE DEALERS, SUPPLIERS, FOREIGN AND DOMESTIC FINANCIAL INSTITUTIONS, STATE AND LOCAL GOVERNMENTS AND ALL OF THE EMPLOYEES MUST MAKE ADDITIONAL CONCESSIONS AND SACRIFICES.

7. IF ALL OF THE INTERESTED PARTIES WORK TOGETHER, THIS LEGISLATION WILL HELP PRESERVE THE JOBS OF TWO-HUNDRED THOUSAND EMPLOYEES OF CHRYSLER, ITS SUPPLIERS AND ITS DEALERS. IT WILL HELP TO MAINTAIN THE HEALTH OF CITIES IN WHICH CHRYSLER FACILITIES ARE LOCATED.

8. IT WILL ALSO HELP TO RESTORE THE VITALITY OF OUR DOMESTIC AUTOMOBILE INDUSTRY, AND MAKE UNITED STATES PRODUCTS MORE COMPETITIVE WITH THOSE OF FOREIGN AUTOMOBILE MANUFACTURERS.

9. NOW I AM GOING TO CALL ON COLEMAN YOUNG, DOUG FRASER AND  
LEE IACOCCA TO SAY A FEW WORDS:

# # #

1:30 PM

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

January 7, 1980

MEMORANDUM FOR RICK HUTCHESON

FROM: Patti DeSouza

SUBJECT: Attendees for Chrysler Aid Bill Signing

Below listed are the various VIPs who the President might want to recognize, that are attending the Chrysler Aid Bill Signing this afternoon at 1:30 p.m. in the Cabinet Room:

Senator Richard Lugar  
Senator Carl Levin  
Senator Don Riegle

Rep. Bill Moorehead  
Rep. James Blanchard  
Rep. Stewart McKinney  
Rep. Lucien Nedzi

Secretary Miller

Doug Fraser, U.A.W.  
Marc Stepp, U.A.W.  
Lane Kirkland, AFL-CIO

Lee Iacocca, Chrysler

Governor Bill Milliken was to have been here  
but will be unable to make it as he  
has been snowed in

THE WHITE HOUSE  
WASHINGTON

1/7/80

The Vice President  
Lloyd Cutler  
Stu Eizenstat  
Frank Moore  
Jody Powell  
Jack Watson  
Zbig Brzezinski  
Jim McIntyre  
Charlie Schultze  
Bob Linder

The attached was returned in  
the President's outbox today  
and is forwarded to you for  
your information. The originals  
are being delivered by Lloyd Cutler.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

January 7, 1980

MEMORANDUM FOR THE SECRETARY OF AGRICULTURE

I have today directed the Secretary of Commerce, in consultation with you and other appropriate officials, to take immediate action under the Export Administration Act to terminate shipments of agricultural commodities and products, including wheat and corn, to the Soviet Union. The Secretary of Commerce shall, however, grant export licenses to the extent necessary to permit shipments to continue up to the 8,000,000 metric tons of wheat and corn per year covered by Article I of the 1975 Agreement between the United States and the Soviet Union on the Supply of Grain. I am taking this action in the national security and foreign policy interests of the United States.

I hereby direct that you take the necessary actions, through commodity purchases, and through the price support and grain reserve programs, to protect America's farmers from the impact of this unanticipated action. These steps are designed to remove supplies from the market in order to assure that price levels will not be unduly affected.

*Jimmy Carter*

THE WHITE HOUSE

WASHINGTON

January 7, 1980

MEMORANDUM FOR THE SECRETARY OF COMMERCE

I hereby direct that you, in consultation with the Secretary of Agriculture and other appropriate officials, take immediate action under the Export Administration Act to terminate shipments of agricultural commodities and products, including wheat and corn, to the Soviet Union. Export licenses should be granted, however, to the extent necessary to permit shipments to continue up to the 8,000,000 metric tons of wheat and corn per year covered by Article 1 of the 1975 Agreement between the United States and the Soviet Union on the Supply of Grain. I am taking this action in the national security and foreign policy interests of the United States. I have determined in accordance with the Export Administration Act that the absence of controls would be detrimental to those interests and that alternative courses of action would not comparably advance them.

*Jimmy Carter*

THE WHITE HOUSE  
WASHINGTON

07 Jan 80

Jack Watson  
Arnie Miller

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

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

January 3, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON

ARNIE MILLER

SUBJECT:

United States Railway Association - Chairman (PAS)

The United States Railway Association (U.S.R.A.) is an independent non-profit government corporation, established in 1974 to plan and finance a new rail system for the Northeast. U.S.R.A. administers the Federal aid which subsidizes ConRail, the freight counterpart to Amtrak. Bill Smith, Chairman of the eleven member Board, has announced his intention to resign in February. We join Secretary Goldschmidt in recommending the nomination of Stephen Berger, of New York, as the new Chairman.

Mr. Berger (40) is President of a management consulting firm specializing in public and municipal finance. He is a Board member of the New York State Metropolitan Transportation Authority (MTA), and Chairman of its finance committee. Berger is also a professor of public administration at New York University Graduate School. He is recognized as a tough administrator. His financial management expertise will be helpful to Secretary Goldschmidt as U.S.R.A. deals with difficult ConRail issues in the months ahead.

Mr. Berger has been highly recommended by Senator Moynihan and Governor Carey, for whom he served as Executive Director of New York State's Emergency Financial Control Board. Mayor Koch also supports this nomination.

Stu, Jim McIntyre and Frank Moore concur in the following recommendation.

RECOMMENDATION

Nominate Stephen Berger, of New York, to be Chairman of the United States Railway Association for a term of six years, vice William Smith.

approve

disapprove

STEPHEN BERGER  
New York, New York

EXPERIENCE

1977 - Date Professor, Public Administration,  
New York University  
Graduate School of Public Administration

1970 - Date President, Stephen Berger Associates, Inc.

1976 - 1977 Executive Director, New York State's  
Emergency Financial Control Board

1975 Director, New York State Planning Agency

1975 Commissioner, New York Social Services  
Commission

1973 - 1974 Consultant, Commission on Critical Choices  
for Americans

1972 - 1973 Executive Director, New York State Study  
Commission on New York City

1964 - 1969 Executive Assistant, Congressman Jonathan B.  
Bingham, U. S. House of Representatives

1962 U. S. Army

EDUCATION

1960 University of Chicago, Fellowship,  
Department of Political Science

1959 Brandeis University, B. A.  
Magna Cum Laude with Honors (History)

ACTIVITIES

Member, Board of New York State Metropolitan Transportation  
Authority; Chairman, Finance Committee  
Trustee, St. Joseph's College of New York  
Member, The American Jewish Congress' Commission on Urban Affairs

PERSONAL

White Male  
Age 40  
Democrat

COMMENTS ON STEPHEN BERGER

Felix Rotyn, General Partner, Lazart Freres and Company,  
New York City

"I obviously think Steve Berger is very good, because I hired him as a consultant to our company. Steve is tough, decisive, and not afraid to take a stand or take a difficult position. He is sophisticated politically and knows where the pitfalls are in any given situation. He is conversant and fluent in transportation issues as well as financial matters. He would bring to U.S.R.A. an excellent background. I have witnessed him in negotiations with the toughest New York unions and he is very effective and persuasive. I give him my strong endorsement and recommendation."

Robert Wagner, Deputy Mayor, City of New York

"I have known Steve for six years. We worked together during Governor Carey's transition. He is a strong administrator and I would rate his negotiating ability very favorably. He is a shrewd politician and has a very strong sense of loyalty. I highly recommend him to the President for Chairman of the U.S. Railway Association Board."

THE WHITE HOUSE  
WASHINGTON

07 Jan 80

Robert Russell

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  
Jody Powell  
Jack Watson  
Charles Schultze  
Alfred Kahn

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

*Handwritten signature*

ADMIN CONFID
CONFIDENTIAL
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ACTION  
FYI

/	VICE PRESIDENT
	JORDAN
	CUTLER
	DONOVAN
/	EIZENSTAT
	MCDONALD
	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

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

*John J*

4 JAN 1980

MEMORANDUM FOR THE PRESIDENT

FROM: R. ROBERT RUSSELL *RRR*  
SUBJECT: OCAW NEGOTIATIONS

As you requested, we told Gulf Oil (the lead negotiator) that its last offer of 8 percent was the most that could be countenanced under the pay standard. Nonetheless, yesterday Gulf offered 9 percent, which was summarily rejected by the union. The next bargaining session is Sunday, and the strike deadline is Monday. The collective bargaining committee met today to discuss the options.

These are the salient facts:

- The oil companies have concluded that it is not in their interest to try to settle within the interim standards.
- They are prepared for an adverse decision from CWPS, and intend to take their case to the Pay Advisory Committee and/or the public. (They claim to come within the expanded tandem exception based on a practice of matching the increases received by major unions with COLAs -- a claim that would not be accepted by CWPS.)
- The best estimate is that the settlement, with or without a strike, will be no lower than 10 percent.

In view of the above, we concluded that it would be counterproductive to engage in a high-pressure campaign to attempt to obtain a 9-percent settlement. Such a futile attempt would be damaging to the credibility of the anti-inflation program and embarrassing to the administration.

We are, however, reluctant to walk away from the negotiations; this is an important collective-bargaining agreement because of its proximity to the determination of the second-year pay standard. Accordingly, we decided that John Sawhill should call Gulf before Sunday to let the oil companies know that the Administration remains committed to moderation in wage settlements, without discussing any numbers or sanctions. If asked, he will say that the administration is prepared to accept a strike in order to obtain a moderate settlement. If asked what would be an acceptable settlement, he will refer the the company to CWPS. This relatively low-key effort will keep pressure on the companies, and will preserve our option of condemning the settlement.

If you do not concur with this decision, please let us know.

THE WHITE HOUSE  
WASHINGTON  
07 January 80

For the Record:

Anne Wexler and Phil Wise received a  
copy of the attached memo.

LIMITED OFFICIAL USE

THE WHITE HOUSE

WASHINGTON

January 5, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

ANNE WEXLER *AW*

I apologize for the confusion, but I was under the impression that you had approved the idea of briefing National opinion leaders on matters relating to Iran and Afghanistan.

As you know, we have developed a good working relationship with the leadership of major constituent groups, including business, labor, agriculture, academics, state and local, women's groups, minorities, ethnics, veterans and military organizations, and religious organizations. We have also established a tradition in the Carter White House of consultations and communications with these groups on subjects of national importance.

To continue that tradition and to build support in this time of national crisis, I suggest that we do a series of briefings for the leadership of these groups on the crisis in Iran and Afghanistan, the historical perspective, and your decisions and actions.

I recommend four briefings next week with your participation in the first two. As we did with SALT, the first briefing would be limited to about 40 foreign policy leaders. Each of the other three briefings would consist of about 125 National leaders from a cross section of constituencies. However, the first of these three (the second in the series) would be oriented towards the most prominent leaders so that your participation in that briefing would also be warranted.

Given the Mansion schedule, the briefings would be set around breakfasts or luncheons in the State or Family Dining Rooms. We would use our standard format of about an hour of presentation and questions and answers by Secretary Vance, followed for the first two briefings by remarks by you and such questions and answers as you might desire.

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In summary, your process of sharing information with the leadership of the country has generally resulted in public support when it counted and at least has helped reduce controversy. The country needs an informed leadership and as much unity as possible now. The lists are available, the contacts are there from former briefings and it would be a simple matter of putting these efforts together as soon as you approve. We have given Phil and Fran a proposed schedule.

✓  
\_\_\_\_\_  
Approve series of four briefings with my participation in first two.

✓  
\_\_\_\_\_  
Approve use of State or Family Dining Room for last two briefings with Secretary Vance.

Mr. President -

We have allowed time on the schedule for the 1st meeting on Tues; the 2nd on Wednesday if you approve.

J

Jan

THE WHITE HOUSE  
WASHINGTON

1/7/80

rick hutcheson --

original has been given  
back to jody powell

--SSC

INTERNAL TRANSCRIPT

DECEMBER 31, 1979

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE  
INTERVIEW WITH THE PRESIDENT  
BY  
FRANK REYNOLDS, ABC NEWS  
The Oval Office

(AT 1:03 P.M. EST)

MR. REYNOLDS: Mr. President, thank you very much for allowing us the opportunity to come and talk to you today. I know that new efforts are underway now; the United Nations Security Council has approved our resolution; and the Secretary General is on his way, or will be on his way, to Tehran.

Still, it is day 58 now since the Americans have been taken captive in Tehran. My question to you, sir, is are you optimistic now that we are moving closer to a resolution of this crisis?

THE PRESIDENT: Frank, I can't give you a flat prediction about when the hostages will be released. I share the frustration and the impatience and the anger of the American people, but I can't base my judgments or my decisions on anger or frustration or impatience. We have unchanging goals in mind, that is, the safety and the release of the hostages unharmed, and the protection of the long-range American interest in Iran and in that entire area of the world; and, in addition, to force upon Iran the realization that they are going to pay an increasingly severe penalty as time goes on, as they hold our hostages prisoner among the kidnapers who have them.

I hope, but I cannot expect, that the Secretary General's trip will be successful or will make progress. My own belief is that the vote that we have just heard about a few minutes ago from the Security Council -- eleven nations voting with us, four abstentions --

MORE

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*omission*  
*J*

JODY -  
Just yellowed  
sections Ran.  
Rex

But I have no apologies to make on our defense budget. I think it needs to be approved by Congress as I have proposed it. The best weapon, in my opinion, is one that is never fired, and the best soldier is one that never dies in action. We have had peace so far. I think the major reason we have had peace is because we are strong, and I am deter ined to keep us strong.

MR. REYNOLDS: Mr. President, I wonder if we could talk about the economy for a few moments. The inflation rate is higher than predicted. I believe in your budget message you estimated it would be in the range of six to seven percent, and then that was subsequently revised to eight or 8-1/2 percent or so.

THE PRESIDENT: Yes.

MR. REYNOLDS: Now it appears it is going to be 13 percent. Here we go into a new year. What hope can you offer the American people that this is going to turn around?

THE PRESIDENT: Frank, again I want to tell the truth. I don't want to build up any false hopes. The increase in the inflation rate is almost completely attributable to the rapid increase in OPEC oil prices imposed over our objection and over which we have no control. If you could remove just energy from the consumer price index it would be about the same as it has been for the last two or three years, seven or eight percent. But the energy price increases are here. There is no way to avoid them.

After I had been in office for 90 days, April of 1977, I proposed to the Congress a comprehensive national energy policy to cut down on our extraordinary and excessive dependence on imported oil. We are still importing about half the oil we use in this country, and I hope that within the next few weeks that the Congress will take final action on that complete package, after 2-1/2 years of delay, almost three years.

All of the remaining major bills have passed both the Senate and the House. They are now in conference and, of course, that means that they can be rapidly completed if the Congress does move. I hope it will. But if we can just start reducing further our imports of oil, then we will have tackled in a major way the inflation rate.

I might say that we have made some progress. There are only two ways to do it. One is to conserve and one is to increase American production. It is the only two ways we can cut down the imports. We are now consu ing about seven or eight percent less gasoline, for instance, than a year ago. That is a very good accomplishment on the part of the American people, and last month we had the highest number of oil drilling rigs exploring for American oil and natural gas than we have had in 21 years. So the new legislation is beginning to

MORE

have some effect. We haven't gone far enough.

I notice that our adverse balance of trade has improved monthly in the last few months.

MR. REYNOLDS: Because of the reduction in oil imports.

THE PRESIDENT: Because of the reduction of oil imports, and of course, we have tried to keep our exports high too.

MR. REYNOLDS: Well, Mr. President, that brings me to a question. The country is now united as never since Pearl Harbor. That is a phrase we hear frequently.

THE PRESIDENT: Yes. That's right.

MR. REYNOLDS: You said last summer, after spending some time at Camp David --

THE PRESIDENT: Yes.

MR. REYNOLDS: -- that our necks were stretched across a fence and OPEC was holding the knife.

THE PRESIDENT: Yes.

MR. REYNOLDS: I think a good many people in this country wonder why, since we now have this sense of unity and since your support has gone up in the polls, you are standing higher now than you ever have, why haven't you seized this opportunity really to mobilize the American people, to impose drastic measures to cut back on the consumption of energy and to let the American people participate in a meaningful, even painful way, in solving this whole Iranian crisis? I mean in solving the longterm dependence on foreign oil?

THE PRESIDENT: Frank, I think we have. I think we are pushing the American people enough at this moment. We have had an 80 percent increase in oil prices in the last 12 months. Gasoline prices have almost doubled in the last 12 months.

MR. REYNOLDS: And the streets are jammed, Mr. President. I don't mean to interrupt you. I am sorry, sir.

THE PRESIDENT: I understand. That is all right. But as you have noted, gasoline consumption is now going down. The Congress just acts slowly. There is no way to avoid saying that. But they have taken action already which will have a longrange beneficial impact. In fact, it is already beginning to pay off. Automobiles in the future are required by law to be efficient and the American people are moving very

MORE

rapidly toward the purchase of those highly efficient automobiles. We will have tripled the Federal commitment to improve rapid transit systems in our urban areas. This will help greatly to reduce consumption.

We have given tax credits to home owners to make their homes more efficient and we are offering the same tax credits now to business. We have appropriated or authorized over a billion dollars to improve the efficiency of schools and other public buildings, hospitals. In addition to that, we are now faced with three major decisions, the windfall profits tax, which will give us a reservoir of funds to permit the low income families to pay the increased energy bills, to improve the production of synthetic fuels and further to increase the public transportation.

We have now got before the Congress a major piece of legislation to let decisions on energy production be expedited and to cut through the red tape, and of course the other thing is to appropriate over a period of time between \$80 and \$100 billion to produce additional energy, American energy, from coal primarily, about 75 percent of it, and additionally from shale. I asked the Congress for authority to impose rationing. The Congress gave me a bill authorizing the development of a rationing plan. It still has a triggering mechanism in it that says we have got to have a 20 percent shortage before I can implement it. That is too high a triggering figure. That needs to be reduced to about five percent at the most, and I am going to ask the Congress to give me that authority. But we are really making some progress now after a long delay.

I think the recent gas lines last summer, the altercation with Iran, the interruption of their supplies to us, has made vivid in the minds of the American people and the Congress that we do indeed need to take action. I have been more frustrated, perhaps, than any person in the country because I have been working on this now almost three years and finally, after 35 or 40 years, our country is on the verge of having an adequate comprehensive energy policy. I think we are moving as rapidly as I can make the Congress move. I hope the American people will help me expedite these decisions.

MR. REYNOLDS: Am I hearing noises? Excuse me, sir. Is there something wrong? We can continue?

VOICE: Yes.

MR. REYNOLDS: Oh, all right. I am sorry to do that to you.

THE PRESIDENT: That's all right.

MR. REYNOLDS: Well, let me remind you again, Mr. President, of something that you said last summer at Camp David. You were talking

MORE

about a southern governor who was up there. He said to you, "Mr. President, we are in trouble. Talk to us about blood, sweat, and tears. If you lead, Mr. President, we will follow."

THE PRESIDENT: Yes.

MR. REYNOLDS: Now you tell me that you are pushing the American people as far as they can go, as far as you think they can go right now? Don't you sense a longing out there to take part in this effort?

THE PRESIDENT: Yes, and I think the American people are taking part. I don't say that we have pushed the American people as far as I could push them. But I think there has been a dramatic change in the American attitude since last summer. At that time the Congress had come to a dead stop in the movement toward a comprehensive energy package, and I pointed out at that time that the American people were recovering from the lies of Vietnam, the lies of Watergate, the lies that were told about the CIA, toward a time of demanding truth and they have gotten it.

I also pointed out the fact that the American people lacked a degree of unity which was so important in making progress to overcome existing obstacles which we all saw, and I believe that now the American people are unified, as you said earlier in this program, more than they have been since Pearl Harbor.

Another point that I have made is this; we do have a need to face facts boldly and frankly and not equivocate and not be fearful of making tough decisions, and the American people, in my judgment, are ready to make those difficult decisions, and I think the Congress is beginning to mirror the frustration of the American people. But to point out to our country the need for rapid and bold action and a need for unity was necessary last July. We have made some progress since then, maybe partially because I pointed out this need. I might say that that one speech that I made got more favorable response from the American people, so far as we can tell by looking at the White House records, of any speech in more than three decades, and I think it touched a sense among American people in general and individually that there was a need for unity and there was a need for bold action and there was a need for the truth. So I think the speech did a lot of good and I think we made a lot of progress since then.

MR. REYNOLDS: Do you think the national malaise that you talked about at that time has since been dissipated?

THE PRESIDENT: Not completely, but the grasping by American people for material things only, in the absence of a sense of unity and a sense of sacrifice and a sense of common purpose and a sense of determination and courage and willingness to face the future with

MORE

*cut down to next  
yellowed-section*

confidence has been changed. Not completely, but I think it has been an improvement.

MR. REYNOLDS: Mr. President, you are way up in the polls now. Do you attribute this to the Iranian crisis? I mean that is when you began to move.

THE PRESIDENT: Frank, as you know, polls go up and down.

MR. REYNOLDS: Yes.

THE PRESIDENT: I was out in Missouri not too long ago, in the courthouse where Harry Truman served as a county judge, and I pointed out to the people there that Truman said that a president or a leader who performed his duties based on polls or even the press criticism was not worthy to be a leader. I think it is better not to dwell too much on polls. They go up and down so much with transient circumstances. But right now we are up a little. I am sure that we have been down in the past and we will be down again in the future.

MR. REYNOLDS: Mr. President, I would like to ask you a question about that in terms of your withdrawal from the debate in Iowa. Why, really, should the American political process, the essence of our democracy, perhaps the most precious thing we have --

THE PRESIDENT: Yes.

MR. REYNOLDS: -- why should that be held hostage by the Iranians too? Why shouldn't there be free and open debate between you and the candidates who were opposing you, all the candidates, even if it is agreed that Iran would not be a subject for discussion? Wouldn't it be serving our democracy really to go ahead with our political campaigning?

THE PRESIDENT: Well, we are going ahead with the political year. There is no way to avoid that. I certainly don't deplore it. I am a politician and proud of it and have done well on occasion in politics. My decision was made reluctantly. I was the first one that accepted the invitation to go to the debate in Iowa and had looked forward to it. But I became more and more convinced that my proper role is here in the White House serving not as a highly partisan Democratic candidate in the eyes and the minds of the American people during this time of almost unprecedented crisis in peacetime, but serving here as a President, needing the unity of our country and also needing support from Democrats and Republicans and Independents alike. For me to leave this important role and to go to participate in a highly partisan debate at this time would, I think, hurt our country, not because of me but if it had been any president.

There would be no way, for instance, that I could have

MORE

2:45 PM



OFFICE OF THE VICE PRESIDENT  
WASHINGTON

January 3, 1980

MEMORANDUM TO THE PRESIDENT  
FROM: THE VICE PRESIDENT *W. J. [Signature]*  
SUBJECT: MEETING WITH WALTER HELLER

Walter Heller, as you know, is one of the most widely admired economists in our country. He's excelled as a scholar and teacher as well as economic advisor to Presidents and the Congress for more than a generation. And he's always had the good sense to return to the University of Minnesota, too!

Walter will meet with you at 2:45 p.m. Monday afternoon. He is preparing a brief but broad ranging memorandum on the economic outlook and economic policy. I believe you will find his views quite harmonious with the approach you will be announcing later this month in your State of the Union Address and the budget. So, you might wish to test out some of the themes and central ideas you will articulate then, as Walter may well have constructive suggestions.

Attached are talking points on topics I expect Walter to raise.

Talking Points

FORECAST

Recession

- The economy has been genuinely stronger than expected in 1979.
  - November's 5.8 percent unemployment rate was well below the 6.6 unemployment rate expected earlier. (Note: December's unemployment rate will be available by the time of the meeting.)
  - Retail sales have been rising at a 15 percent annual rate during the last three months.
  - Housing starts, given the jolt of monetary policy, have held up well (1.5 million in November and 1.8 million in October).

Inflation

- Inflation, on the other hand, has been worse than expected. The CPI has probably risen between 13 and 14 percent during 1979.
- Energy has been the biggest shock. All energy prices, as measured in the finished goods index of the PPI, have been rising at an 83% annual rate during the last six months.
- The interest rate hikes will hurt in the months immediately ahead, as they are picked up in higher mortgage costs.

THE WHITE HOUSE  
WASHINGTON

1/7/80

Gretchen Poston  
Sarah Weddington  
Louis Martin

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

Rick Hutcheson

January 7, 1980

2:30

MEMORANDUM FOR:

THE PRESIDENT

FROM:

GRETCHEN POSTON *gp*

SUBJECT:

Artists and Athletes for Carter.

Reminder -- please ask Muhammad Ali if he will serve as Chairman of the Athletes for Carter Committee. If he is agreeable, please tell him I will follow-up with a letter and phone call.

*He'll be  
delighted!*  
*J*

THE WHITE HOUSE  
WASHINGTON

January 3, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: LOUIS MARTIN

SUBJECT: MEETING WITH MUHAMMAD ALI AND FAMILY  
MONDAY, JANUARY 7, 1980, 2:30 p.m. OVAL OFFICE

I. PURPOSE

To receive a verbal report on Muhammad Ali's trip to China and to be photographed with Ali and family members.

II. BACKGROUND, PARTICIPANTS AND PRESS

A. Background

Muhammad Ali returned December 28, 1979 from a brief visit to China at the invitation of the Chinese Sports Association. In Peking, he met with Deputy Prime Minister Deng Xiaoping. Deng had lifted a 23 year national ban on boxing in China so Ali could help train Chinese fighters for the 1984 Olympics. Ali has agreed to spend four months in each of the next four years in China to coach boxing. (See attached Newsweek article.)

Muhammad Ali is the world's most recognized sports figure. Formerly known as Cassius Clay, he was born in 1942 in Louisville, Kentucky. He won his first national title, National Golden Gloves in 1959 and first became World Heavyweight Champion in 1963. He is the only man who has held the world title 3 times, finally retiring as undefeated champion in 1979.

Muhammad Ali is married to the former Veronica Porche. He has two children by this marriage and four by a previous marriage. A friend of the Administration, Ali was a member of the U. S. delegation last year to Algeria for the funeral of former President Boummedienne. In addition, Ali served as Honorary Savings Bond Chairman for the 1979 Treasury Savings Bond Drive.

B. Participants

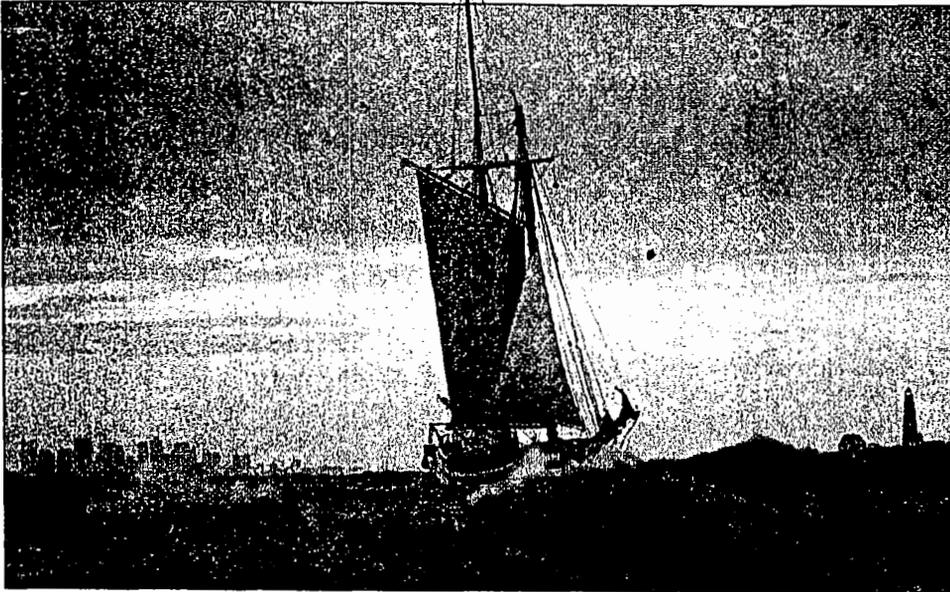
Muhammad Ali; his wife, Mrs. Veronica Ali; his father, Mr. Cassius Clay, Sr.; and Mr. Howard Bingham, an aide.

White House participant: Louis Martin

C. Press

White House Photographer and brief photo session for White House Press Corps.

# NEWSMAKERS



The John F. Leavitt was a 97-foot coastal schooner built of wood and fueled by wind—a Model T in the age of fiber glass and big horsepower. But it was Ned Ackerman's dream to load this ghost from the past with cargo and sail it up and down the Atlantic, just as his predecessors did a century ago. After three and a half years and more than \$350,000, the ship was built and ready to go. Ten days out of Quincy, Mass., and 260 miles off Long Island, N.Y., the ship began to take water when part of the planking gave way. The Air National Guard rescued the nine aboard—but the schooner sank into the 20-foot seas. Ackerman, who still believes in the future of commercial sailing ships, said wistfully, "It could have worked. The problem was the sea. It was too much for us."

Kevin Galvin



Howard Bingham

He may have retired from the ring, but **Muhammad Ali** has yet to show any signs of a retiring nature. "Boxing was just the start of my life," he says. "It was the dressing room in the arena of the world." Now flexing his muscles in that arena, Ali rates his performances as immodestly as ever. Just back from his first bout of boxing-glove diplomacy in Peking, he proclaimed his twenty-minute audience with Chinese Deputy Prime Minister Deng Xiaoping "a breakthrough to better relations between America and Red China." True, Deng lifted a 23-year national ban on boxing so Ali could help train Chinese fighters for the 1984 Olympics. And true, the champ is preparing to spend four months in China each of the next four years in his new coaching duties. Nevertheless, America's self-proclaimed world ambassador may soon have need for some fancy diplomatic footwork. Some of the men on the "Muhammad Ali Boxing Team" in California may also be among the Olympic contenders. An international conflict of interest? Not for Ali. "It's a problem I will have to work out with Deng," he says, unperturbed.

While divorce proceedings are under way to unhitch **Christina Onassis**, 28, from her third husband, **Sergei Kauzov**, 38, the Greek millionairess has happily emerged with a new man in her life. He is **Hubert Michard-Pellisier**, 32, the dapper French lawyer and *boulevardier* who has been her escort for the last month in Paris and now St. Moritz. Christina, who is reportedly trying to bestow a tanker as a settlement on her Russian ex-husband-to-be, mischievously suggests that Hubert is her next husband-to-be. But a family friend says the romance is "no more serious than anything else about Christina."



Villard—Sipa-Black Star

It had been four years since tennis star **Martina Navratilova** last saw her family. So when the Czech Government permitted her parents and sister **Jana**, 16, to visit her in Dallas, Martina wanted to make them feel at home. She really needn't have worried. "As soon as we walked in the house, my father headed for the pool table, my mother for the kitchen and my sister went out jogging," Martina said. "I was looking forward to telling them about life in the U.S., but it looks like that won't take long."

DIANE K. SHAH



AP

THE WHITE HOUSE

WASHINGTON  
4 January 1980

MEMORANDUM FOR THE PRESIDENT

FROM: RICK HUTCHESON *R.H.*  
SUBJECT: Status of Presidential Requests

SECRETARY VANCE:

1. (10/25) The President has received a very serious critical report concerning Ambassador Lowenstein re partisanship. Without getting the Department aroused, please let the President know about him -- Done. *What has been done?*

ATTORNEY GENERAL CIVILETTI:

1. (10/18) The President would like you to investigate and give him your best assessment as to how the leak on the Morocco sale of weapons occurred. This is typical of a pattern - some quite damaging to our country -- In Progress, (no results yet).
2. (12/21) Please prepare a brief report for the President on the FBI's investigation on Soviet and Cuban mission bombings in New York -- Done. *I want FBI to keep me informed*

MOORE:

1. (12/29) The President wants you to send to the members of Congress a copy of Secretary Duncan's memo on our coal program -- Done. *Done*

MCINTYRE:

1. (1/3) Prepare for the President a list of foreign nations and the amount of aid going to each one in the 1981 budget -- Done. *Done*
2. (1/4) Concerning Federal agencies energy consumption, the President would like to know if the referenced 4.4% decrease is since April or on an annual basis. Prepare a report listing each agency and its record -- In Progress, (expected 1/7).

BRZEZINSKI:

1. (10/18) (and McIntyre) The President wants better contingency planning - just a couple of pages, well-prepared, on a fairly broad range of subjects -- In Progress, (expected 1/11, previously expected 12/20).
2. (1/3) (and Secretary Vance) Concerning our Angolan policy, consult with members of Congress and then inform the President of the results. The President is inclined to move on this -- In Progress, (expected in three weeks).

WATSON:

1. (11/13) (and the Vice President) We are getting behind on major appointments. When presented with a list of possibilities, the President needs to know that the applicants are likely to accept if chosen. Move rapidly on CSCE, Commerce, Education subordinates, Mexican ambassador, refugees, etc -- Done. *Done*
2. (11/26) The President wants you to call Terry Sanford to see whether he is interested in a full or part-time appointment -- Done, (Terry is not interested in an appointment at this time. He turned down the position as Caribbean coordinator, but has been very supportive and recommended someone else for that position). *Done*

4100 PM

THE WHITE HOUSE  
WASHINGTON

January 7, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: JODY POWELL *J.P.*

SUBJECT: Chancellor Interview

NBC has changed its mind and now plans to deal with one "issue" each night. Thus, your comments on energy, for example, will be run along with other candidates' comments on the same subject.

I decided against pulling out of the interview because of this change. The impact of the change for you is that your answers need to be more concise with the basic themes enunciated at the top.

All of the questions will be general queries, i.e., "What is your position on dealing with inflation?"

Here are several thoughts for you to keep in mind as you go into the interview:

1. You did a good job of stressing the twin themes of "telling the people the truth" and "no easy, cost-free answers" in the Reynolds interview. Keep at it.

If you get a question on "leadership," that's a good place to work them in.

2. If you get a chance, you should also stress the importance of cutting the deficit and a strong defense. Don't mention Kennedy by name. You can just say that a President in these times of high inflation and international tension must have demonstrated a willingness to make the tough decisions necessary to control spending and provide for a strong defense.
3. Chancellor wants to ask a question or two on Iran and Afghanistan for use tonight. If we decide to let him do that, I'd like to see you talk a little bit on how our response is an answer to those who say that nothing is more important to Americans than the almighty dollar and that we are so materialistic that we will never make sacrifices in support of our principles.

I would also like to see you give out a little information on our plans for a continuing military presence in the region to protect our interests and to assist our friends.

4. When asked about inflation, be sure to emphasize that energy is our number one economic problem. "You can't

talk about inflation without talking about energy. You can't deal effectively with inflation if you make the tough decisions that are required on energy into a political football. You can't solve our energy problems by leading the American people to believe that we can go back to the days of cheap, plentiful energy."

5. Don't be reluctant to point out that one of the reasons for our economic problems is that we failed to deal effectively with our dependence on foreign oil in 1973 and 1974 when the embargo made clear what we were facing.
6. Be a little more animated than in the Reynolds interview. Lean forward on your desk -- into the camera.

We will have short suggested  
responses on the major topics  
for you by 3:00 P.M.  
Juv

THE WHITE HOUSE  
WASHINGTON

~~07~~ Jan 80

FOR THE RECORD:

STU EIZENSTAT RECEIVED A  
COPY OF THE ATTACHED.

12:15 PM

Good.  
Someone  
should do  
this -  
J

THE WHITE HOUSE

WASHINGTON

January 7, 1980

MEMORANDUM FOR RICK HUTCHESON

FROM: DAVID RUBENSTEIN DR

Attached is a statement I have just drafted on the low-income energy assistance announcement. It has been approved by everyone who needs to approve it. I would appreciate your getting this to the President as soon as possible.

## Statement

### Low-Income Energy Assistance

Little more than a month ago, I signed the legislation I had proposed to provide funds this winter for low income energy assistance. I said then that I wished to expedite the mailing of the checks under this program. I am pleased today to say that this has been done.

Beginning today, almost 4 million Americans who are SSI recipients -- the aged, the blind and disabled -- will receive a direct energy assistance payment check in the mail. These payments total \$400 million, in individual checks up to \$250.

These checks are being sent to help these low-income individuals and families pay for the increased cost of coal, gas, oil, and electricity to heat their homes this winter. It is part of a larger, \$1.6 billion nationwide program we have designed to aid low income people who are facing energy related hardships.

The fact that I am able to make this announcement today -- and

assure that funds will be available to provide the help needed this winter -- is due to Congress' prompt passage of the legislation and the prompt implementation of the program by HEW and Treasury.

While this winter's program is well on its way, critically important steps remain in completing the work on the program for future years.

I have asked Congress to provide \$2.4 billion for low income assistance for FY 1981 and the following years, to be paid for by the Windfall Profits Tax. I urge the Congress to take up its work on the Tax as soon as it reconvenes and to act as promptly on it as it did on this winter's low income program.

Now, I want to personally thank Secretary Harris for the hard work that she and her people at HEW did in getting the energy assistance checks ready within 42 days after the signing of the bill. Pat will now provide you with some of the details of this program.

THE WHITE HOUSE  
WASHINGTON

07 Jan 80

Jack Watson  
Al McDonald

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

Rick Hutcheson

ID 800157

	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
	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

(1/7/80)

cc: AP

Jack

a) Verbose

b) Should not be over  
my signature.

c) Why not a letter  
or a night letter?

Please answer -

J.C.

January 4, 1980

# BOOK OF 46 COPIES

~~CABLE TO:~~

~~(Prospective Members of the Board of Caribbean  
Basin People-to-People Program)~~

001 - 046

(92)

~~Dear \_\_\_\_\_:~~

Since the beginning of my Administration, I have tried to shape a new approach to all of Latin America, and especially to Central America and the Caribbean which lie so close to the United States. I have sent the Vice President, the Secretary of State, my wife Rosalynn, and other high officials on missions of friendship and assistance. I myself have made two visits and have repeatedly consulted with heads of state in the area.

The Caribbean basin is experiencing a period of social, economic and political turbulence. It is in our interests that its nations be democratic and prosperous, and that our already deep ties to the region's people be even stronger and warmer than they are.

Frankly, although we have increased our attention to the region and have doubled our economic assistance, I am not satisfied that we have done enough. Our nation is rich in other kinds of talent that we have not adequately shared. We must take the time to understand our friends in the region, to help and to learn, and to forge mutually respectful relationships. Too often, we have looked to the government to undertake the task of building relations with our friends abroad when so much of our strength and friendship lies in our local communities, our universities, and in our business, labor, farming, voluntary and religious groups. In the areas of agriculture, forestry, health, and education, there is much our nation can do to assist the people of the area and there is also much for us to learn.

I am convinced we must find ways to energize our nation -- not just the government, but the nation -- to build two-way people-to-people relationships that emphasize dignity and mutual benefit. Perhaps a non-governmental group can be established to address specific development projects and to promote exchanges of people and assistance between private groups in the US and private groups in the area. To discuss this idea and other ways to achieve our over-all goal, I ask you to join me and several others for a private meeting at the White House on January 11th at 11:00 a.m.

I am personally committed to this effort, but I do not want the Federal Government to play a large role. Rather it is my hope that we will be able to awaken the initiative and

EST 4.50 EA

\$207.00

energies of the nation as a whole, and that you and others like you will work to promote a new and steadfast two-way relationship with all the people of the Caribbean basin. I look forward to meeting with you to discuss how we can accomplish this task.

I would appreciate if you informed my staff as soon as possible whether you can attend the meeting in the Cabinet Room, by calling (202) 456-7064, and please leave your social security number and date of birth.

Sincerely,

Jimmy Carter

Approved —  
*J. Watson*  
1/4/80

---

~~1. ANDY YOUNG~~

001. DANTE B. FASCALL  
UNITED STATES HOUSE OF REPRESENTATIVES  
2354 Rayburn House Office Building  
Washington, D.C. 20515

002. MAURICE FERRE  
THE HONORABLE MAYOR OF MIAMI  
3500 Pan American Drive  
Miami, Florida 33133

~~3. JOANITA KREPS~~

003. WILLIAM D. ROGERS  
Arnold & Porter  
1229 Nineteenth Street, N.W.  
Washington, D.C. 20036

004. ALAN RUBIN  
Partners of the Americas  
2001 S. Street, N.W.  
Washington, D.C. 20009

005. ROBERT CLODIUS  
National Association of State Universities and Land-Grant Colleges  
One Dupont Circle, N.W.  
Washington, D.C. 20036

006. Sol M. Linowitz  
2204 Wyoming Avenue N.W.  
Washington, D.C. 20008

007. ERNEST MORIAL  
Mayor of New Orleans  
1300 Perdido  
New Orleans, Louisiana 70112

008. ROBERT GRAHAM  
Governor of Florida  
Governor's Mansion  
North Adams Street  
Tallahassee, Florida 32302

009



WILLIAM DYAL  
President, Inter-American Foundation  
1515 Wilson Blvd  
Rosslyn, Virginia 22209



~~HENRY FORD~~

010



PETER JOHNSON  
The Committee for the Caribbean  
1333 New Hampshire Avenue, N.W.  
Suite 1010  
Washington, D.C. 20036

011



JOHN SEWELL  
President  
Overseas Development Council  
1717 Mass. Avenue N.W.  
Washington, D.C. 20036

012



ROGER STONE  
President, Center for Inter-American Relations  
680 Park Avenue  
New York, New York 10021

013



STEPHEN RHINESMITH  
AFS International/Intercultural Programs  
313 East 43rd Street  
New York, New York 10017

014



THOMAS GITTENS  
Executive Vice President  
Sister Cities International  
1625 Eye Street N.W.  
Suite 424-26  
Washington, D.C. 20006



~~WILLIE CAMPBELL~~



~~DR. ARNITA BOGSELL~~



~~MARIA ELENA ROSSINI~~

015  
● CHARLES WHALEN, Jr.  
President, New Directions  
2021 L. Street, NW.  
Washington, D.C. 20036

016  
● MICHAEL MILLER  
Pan American Development Foundation  
1625 Eye Street, N.W.  
Suite 622  
Washington, D.C. 20006

● ~~REV. WAYNE SMITH~~

017  
● LOUIS SAMIA  
Executive Director  
CARE, INC.  
660 First Avenue  
New York, New York 10016

018  
● MARTHA MUSE  
President  
Tinker Foundation  
645 Madison Avenue  
New York, New York 10022

019  
● MARJORIE CRAIG BENTON  
Save the Children Foundation  
48 Wilton Road  
Westport, Connecticut 06880

020  
● FRANK PACE, JR.  
President  
International Executive Service Corps  
622 Third Avenue  
New York, New York 10017

021  
● JANE CAHILL PFEIFFER  
Chairman, NBC  
30 Rockefeller Plaza  
New York, New York 10020

● ~~MAUREEN DONNARA~~

022. JOAN MANLEY  
President  
Time-Life  
1271 Avenue of the Americas  
New York, New York 10036

023. HENRY GEYELIN  
President  
Council of the Americas  
680 Park Avenue  
New York, New York 10021

024. ROBERT WEST  
Chairman  
Tesoro Petroleum Corporation  
8700 Tesoro Drive  
San Antonio, Texas 78286

025. SEYMOUR MILLSTEIN  
Chairman of the Board  
United Brands  
1271 Avenue of the Americas  
New York, New York 10036

026. JAMES TROWBRIDGE  
President, National Association of Manufacture  
1776 F. Street, NW.  
Washington, D.C. 20006

027. PETER McCOLOUGH  
Chairman,  
XEROX CORPORATION  
100 S. Clinton Avenue  
Rochester, New York 14604

028. PAUL AUSTIN  
Chairman, Coca-Cola  
310 North Avenue  
Atlanta, Georgia 30313

029. ~~JOAQUIN OTERO~~

029. WILLIAM C. DOHERTY  
American Institute for Free Labor Development  
1015 20th Street, N.W.  
Washington, D.C. 20036

030  
EVELYN DUBROW  
Vice President  
International Ladies Garment Workers Union  
815 16th Street, N.W.  
Washington, D.C. 20006

031  
LILA COCKRELL  
Mayor, San Antonio  
City Hall  
Military Plaza  
San Antonio, Texas 78204

~~POLLY BAGA BARRAGON~~

032  
MARION BARRY  
Mayor of Washington  
District Building  
14th & E St  
Washington, D.C. 20004

~~EARL OTTLEY~~

033  
REPRESENTATIVE CHARLES RANGEL  
U.S. House of Representatives  
2432 Rayburn House Office Building  
Washington, D.C. 20515

034  
REPRESENTATIVE HENRY GONZALEZ  
U.S. House of Representatives  
2252 Rayburn House Office Bldg  
Washington, D.C. 20515

035  
WILLIAM GREEN  
Director of University Relations  
Duke University  
Durham, North Carolina 27706

036  
BARBARA JORDAN  
LBJ School of Public Affairs  
University of Texas  
Sid Richardson Hall - 200 W. 21st  
Austin, Texas 78712

037  
CARMELO MESA-LAGO  
President, Latin American Student Association and Professor  
of Latin American Studies  
University of Pittsburgh  
4200 Fifth Avenue  
Pittsburgh, Pa. 15260

038  
FR. TIMOTHY HEALY  
PRESIDENT  
GEORGETOWN UNIVERSITY  
37th & O NW  
Washington, D.C. 20057

~~53. ROOSEVELT CRIER~~

039  
HARRY BELAFONTE  
300 West End Avenue  
New York, New York

040  
DR. THOMAS MATTHEWS  
SECRETARY GENERAL  
ASSOCIATION OF CARIBBEAN UNIVERSITIES & RESEARCH INSTITUTE  
FOUNDATION INC  
3807 Ponce de Leon Blvd  
Coral Gables, Florida 33124

~~54. MUHAMMED ALI~~

~~54. GEORGE BEEBE~~

~~55. JACK VAUGHAN~~

041  
MRS. JANE FREEMAN  
President  
Girl Scouts of America  
830 Third Avenue  
New York, New York 10022

~~87. RITA GOODMAN~~

042  
LADY BIRD JOHNSON  
The LBJ RANCH  
Stonewall, Texas 78671

PATSY GRAVES  
NATIONAL COUNCIL OF NEGRO WOMEN  
NATIONAL HEADQUARTERS  
1346 Connecticut, NW  
Washington, D.C. 20036

MR. ROBERT PASTOR  
3101 WORTHINGTON NW  
WASHINGTON, D.C. 20015

January 5, 1980

~~TO: TELEGRAPH OFFICE~~

~~FROM: ABIGAIL HAVENS~~

~~SUBJ: ADDRESSES FOR BOB PASTER MEETING~~

045  
Willie Campbell, President  
Overseas Education Fund of the  
League of Women Voters  
2101 L St., NW, Suite 916  
Washington, DC 20037

046  
Jane Freeman, President  
Girl Scouts of USA  
910 17th St., NW  
Washington, DC 20006

President's Final/Approved  
Draft

*Final approved draft - w/ President handwritten*

President Jimmy Carter  
Draft -- January 4, 1980

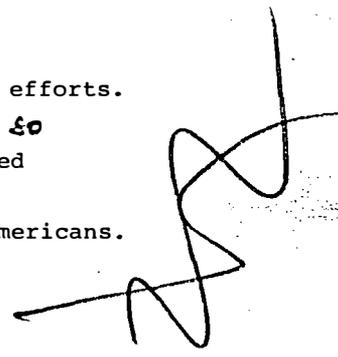
*Potus #3*

I come to you this evening <sup>to discuss the</sup> ~~with an~~ extremely important ~~and~~  
~~and sober explanation of the~~ rapidly changing circumstances  
in Southwest Asia.

I continue to share with you the sense of outrage and  
impatience because of the kidnapping of innocent American  
hostages and the holding of them by militant terrorists with  
the support and approval of Iranian officials.

Our purposes continue to be the protection of the  
long-range interests of our nation and the safety of the  
American hostages.

We are attempting to secure the release of <sup>the Americans</sup> ~~the~~ hostages  
through the International Court of Justice, through the  
United Nations, and through public and private diplomatic efforts.  
We are determined to accomplish this goal <sup>We hope to do so</sup> without bloodshed  
~~and without~~ <sup>to</sup> ~~which would~~ further ~~endanger~~ the lives of our 50 fellow Americans.



In these efforts we continue to have the strong support  
of the world community. *152*

*and crmmmm sense*  
The unity *of* the American people ~~and your patience~~  
under such trying circumstances are *essential to* ~~an integral part of~~ the  
success of our efforts.

\* \* \*

Recently there has been another very serious development  
which threatens the maintenance of peace in Southwest Asia.

*64* ~~In a drastic departure from recent policy of the Soviet Union,~~  
~~Massive Soviet military forces have invaded the small non-aligned,~~  
~~sovereign nation of Afghanistan, which had hitherto not been~~  
an occupied satellite of the Soviet *Union*

Fifty thousand heavily armed Soviet troops have crossed  
the border, and are now dispersed throughout Afghanistan,  
attempting to conquer the fiercely independent Muslim people  
of that country.

The Soviets claim falsely that they were invited into Afghanistan to help protect that country from some unnamed outside threat. But President Amin, who had been the leader of Afghanistan before the Soviet invasion, was assassinated -- along with several members of his family -- <sup>after</sup> ~~while~~ the Soviets <sup>gained</sup> ~~of~~ the capital city of Kabul.

Only <sup>several days</sup> later was the <sup>new</sup> puppet leader even brought into Afghanistan by the Soviets.

This invasion is an extremely serious threat to peace -- because of the threat of further Soviet expansion into neighboring countries in Southwest Asia, and also because such an aggressive military policy is unsettling to other peoples throughout the world.

It is a callous violation of international law and the United Nations Charter.

It is a deliberate effort of a powerful atheistic government to subjugate an independent Islamic people.

We must recognize the strategic importance of Afghanistan

to ~~and of stability and peace, in this region of the world.~~

The United States wants all nations in the region to be free and to be independent. If the Soviets are encouraged

in this invasion by eventual success, and if they maintain their dominance over Afghanistan and ~~then extend this kind of action to [other parts of the region]~~ *then extend their control adjacent countries*

-- the stable, strategic and peaceful balance of the world will be changed. This would threaten the security of all nations including, of course, the United States, our allies and friends.

Therefore, the world cannot stand by and permit the Soviets <sup>Union</sup> to commit this act with impunity.

A Soviet occupied Afghanistan threatens both Iran and Pakistan and is a stepping stone to <sup>their possible control</sup> ~~Soviet control~~ over much of the world's oil supplies.

~~We~~ <sup>and</sup> more than 40 ~~other~~ nations have petitioned the United Nations Security Council to condemn the Soviet Union and to demand the immediate withdrawal of all Soviet troops from Afghanistan.

We realize that under the United Nations Charter the Soviets <sup>Union</sup> and other permanent members ~~have the right to~~ <sup>may</sup> veto action of the Security Council.

If the will of the Security Council should be ~~subverted~~ <sup>thwarted</sup> in this manner, then an immediate action would be appropriate in the General Assembly of the United Nations where no Soviet veto exists. <sup>455</sup>

<sup>to</sup> neither the U.S. <sup>states</sup> ~~nor~~ any other nation which is In the meantime, we ~~and other like-minded nations~~

~~who~~ are committed to world peace and stability cannot continue <sup>to do</sup> business as usual with the Soviet Union.

I have already recalled the United States Ambassador from Moscow to Washington. He is working with me and my other senior advisers in an immediate and comprehensive evaluation of the whole range of our relations with the Soviet Union.

\* \* \*

The successful negotiation of the SALT II Treaty has been a major goal and a major achievement of this Administration -- and we <sup>America's people of the</sup> the Soviet <sup>Union,</sup> and indeed the entire world will benefit from the successful control of Strategic Nuclear Weapons through the implementation of this carefully negotiated Treaty. <sup>5/6</sup>

However, because of the Soviet aggression ~~and the impossibility of ratification of the Treaty at this time,~~ I have asked the United States Senate to defer ~~[for the time being any]~~ further consideration of the SALT II Treaty,

As circumstances change in the future we will, of course, keep the ratification of SALT II under active review ~~and in~~ consultation with the leaders of the Senate.

→ so that the Congress and I can assess Soviet actions and intentions and devote our primary attention to the legislative and other measures required to respond to this crisis.

*and most of the cultural and economic developments conducted by under consideration will be deferred.*

We will delay opening of any new American or Soviet (Embassy and) Consular facilities, and I have decided to halt or reduce exports to the Soviet Union in three areas that are particularly important to them. These new policies will be coordinated with those of our allies. "57

-- I have directed that no sales of high technology or other strategic items will be licensed for sale to the Soviet Union until further notice, while we revise our licensing policy.

-- Fishing privileges for the Soviet Union in United States waters will be severely curtailed.

-- The 17 million tons of grain ordered by the Soviet Union in excess of that amount which we are committed to sell under a five-year agreement will not be delivered. This grain was not intended for human consumption but was to be used for building up Soviet livestock herds.

*American or Soviet*

We will delay any opening of new Embassy and Consular facilities, and ~~will insist on strict reciprocity in the number of diplomats assigned to each country; travel restraints on visiting officials, and media representation.~~

Commercial trade with the Soviet Union will be severely restricted, and I have directed that no sales of high technology <sup>or other strategic items</sup> ~~to the Soviet Union~~ <sup>for sale until further notice, while we</sup> will be licensed. These new policies <sup>reverse our licensing policy.</sup> will be coordinated with those of our allies.

Fishing privileges for the Soviet Union in United States waters will be severely curtailed, ~~resulting in a loss to the Soviet Union of 300,000 tons of fish this year.~~

All but the most essential <sup>most of the</sup> cultural and economic exchanges currently under consideration with the Soviet Union will be ~~either deferred or suspended.~~ <sup>deferred.</sup> ~~discontinuously cut back.~~

The 17 million tons of grain ~~destined for~~ <sup>ordered by</sup> the Soviet Union in excess of that amount which we are committed to sell under a five-year agreement will not be delivered. ~~This involves a substantial quantity~~

I have decided to halt or reduce exports to the Soviet Union in three areas that are particularly important to them.

I am determined to minimize any adverse impact on the American farmer from this action. The undelivered grain will be removed from the market through storage and price support programs and through purchases at market prices. We will also use increased amounts of grain to alleviate hunger in poor countries and for gasohol production here at home. 758

After consultation with other principal grain exporting nations, I am confident that they will not replace these quantities of grain by additional shipments to the Soviet Union.

These actions will require some sacrifice on the part of all Americans,

*This grain was not intended*  
~~of grain~~ ~~none of which was destined~~ for human consumption  
*building up Soviet*  
 but was to be used for feeding ~~livestock~~ *herds,*

We will take action through price support and reserve storage policies of the Department of Agriculture to remove this grain from the market.

The use of grain for gasohol fuel production and to alleviate hunger in poor countries will minimize any adverse effect on the American farm community.

After consultation with other principal grain exporting nations, I am confident that they will not replace these quantities of grain by additional shipments to the Soviet Union.

These actions will require some sacrifice on the part of all Americans, ~~those involved in agriculture, trade and commerce, and those who are taxpayers required to finance the~~ additional budget expenditures.

Electrostatic Copy Made for Preservation Purposes

*minimize any adverse impact on*  
 I am determined to ~~take the necessary~~ steps to ensure ~~that~~ the American farmer ~~does~~ not suffer from this action. ~~all of the~~ *undelivered* embargoed grain will be removed from the market through storage and price support programs and through purchases at market prices. We will also use increased amounts of grain to alleviate hunger in poor countries and for gasohol production here at home.

← But there is no doubt that these actions are in the interest of world peace and the security of our own nation, and are also compatible with actions being taken by our own major trading partners and other nations who share our deep concern about this new Soviet threat to world stability.

*Although the U.S. would prefer not to*  
~~At this time we do not contemplate withdrawing~~

*Games*  
World Olympics scheduled in Moscow this summer, ~~but~~, the Soviets must realize that ~~their~~ *its* continued aggressive actions will endanger both the participation of athletes and the travel to Moscow by spectators who would normally wish to attend the Olympic games.

*Along*  
~~We will work~~ with other *countries we will* provide military

equipment, food, and other assistance ~~to Pakistan~~ -- to help ~~that nation~~, which borders on Afghanistan, deal effectively

*Pakistan defend its independence and national security against*

~~with~~ the seriously increased threat it <sup>now</sup> faces from the North.

The United States also stands ready to help other nations in the region in similar ways.

Neither our allies nor our potential adversaries should have the slightest doubt about our willingness, our determination, and our capacity to take the measures I have outlined.

History teaches perhaps few clear lessons. But surely one such lesson learned by the world at great cost is that aggression unopposed becomes a contagious disease.

The response <sup>of</sup> to the international community to the Soviet attempt to crush Afghanistan must match the gravity of the Soviet action. The United States will meet its responsibilities.

With the support of the American people and working with other nations, we will deter aggression, protect our nation's security, and preserve the peace.

# # #

I have consulted with the leaders of Congress and am confident they will support legislation that may be required to carry out these measures.

THE WHITE HOUSE  
WASHINGTON

January 7, 1980

*Search related  
per Albia  
1/7/80*

*2/19/80  
S...  
J...*

Mr. President:

John White and Peter Kelly would like you to drop by a reception in the White House on January 22 for the DNC Finance Council. Besides supporting the party, many of these folks are your strong friends. You have attended these in past years.

Approve ✓ Disapprove \_\_\_\_\_

*J*

PHIL

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

1-3-79

To: Phil Wise

From: Sarah Weddington *sw*

Re: Reception for DNC Finance Council

This is to confirm that the White House will host a reception for the National Finance Council of the DNC on the afternoon of Tuesday, January 22nd and that the event will be on the President's schedule for 4 p.m.

By copy of this memo I am notifying Gretchen Poston of these arrangements (having already talked to her generally about them) and am asking Peter Kelly, DNC Treasurer, to contact Gretchen's office or have the appropriate person on the DNC staff do so to go over the appropriate details and information that needs to be furnished to Gretchen.

Although I did not raise it specifically with Peter Kelly, I am assuming that the DNC will pick up the costs for the reception and am so notifying him by copy of this memo.

cc: Gretchen Poston  
Peter Kelly

January 4, 1980

For: President  
V. P.  
First Lady

H.J.

①

MEMORANDUM FOR HAMILTON JORDAN

FROM: LONDON BUTLER

SUBJECT: Iowa Labor Update

Since our last memo, the following events and activities have been going on in Iowa:

KENNEDY:

--The UAW (40,000 members) continues to spearhead the Kennedy effort. CAP Director Chuck Gifford is travelling full time around the state. Between 6 to 8 full time UAW operatives are working for Kennedy.

--The Machinists (11,000 members) continue to mount a full-scale Kennedy effort. All the IAM locals have phone banks and IAM business agents are working the state for Kennedy. While the leadership is strongly pro-Kennedy, there is pro-Carter support in the Waterloo, Davenport and Cedar Rapids local. In Davenport, local union officials have asked for Carter literature and buttons. Machinists President Bill Winpisinger is touring the state January 7th to 9th and speaking at labor rallies in Des Moines, Davenport, and Dubuque. Given Winpisinger's style, his visit may very well work to our benefit as he tends to alienate as many working families as he converts.

--The Rubberworkers, (2,500 members) are pushing Kennedy strongly with phone banks at some locals.

--The Grainmillers union (3,200 members) is pushing Kennedy, but they are not too effective. (Note: The Administration was very helpful to the Grainmillers' Union during their recent strike in Minnesota. At our request, the President of the Union called his leadership in Iowa to voice his opposition to their support for Kennedy.)

--The leadership of the Iowa State Federation of AFL-CIO is working for Kennedy.

Carter:

--The NEA (18,000 Democratic members) is spearheading our effort in Iowa. They have had 12 full time local operatives working for us. NEA locals are phone banking their members. Following a phone call to President Willard McGuire initiated by the VP, NEA has sent into Iowa full-time through Jan. 21st, Dick Van Der Woode, their Director of Govt. Relations, George Green, Exec. Dir. of their federation of state pres, plus 6 additional political operatives for a total of 20 full time NEA people in the state. Next week, McGuire will call 15 to 20 key local Presidents to urge their active support. The NEA membership list is fully integrated into our phone bank, GOTV operation.

--The Central Iowa Building Trades Council (12,000 members representing Plumbers, Carpenters, Electricians (IBEW), Operating Engineers, Iron Workers, etc.) is working strongly for us. They are providing caucus training for their members and have provided their lists for our GOTV phone bank operation. The IBEW met in convention today and was scheduled to endorse the Carter-Mondale ticket. The Iowa Building Trades Council will meet in convention January 15th and 16th. We are trying to arrange an appearance and speech by the Vice President. Plumbers President Marty Ward just wrote a personal letter to each of his 2,500 members and officers urging their participation in the caucuses in support of the President. Also, at our request, Bob Georgine, President of the Building Trades Department of the AFL-CIO has been calling key leadership in the state urging their active involvement in our campaign.

--The Communications Workers (6,500 members) is phone banking each of its locals and its top state operative, Herb Randells, has been authorized to spend "whatever resources are necessary" to get their membership in our support. The CWA now has 2 people working the state for us full-time as well as all their local operatives.

--The United Food and Commercial Workers Union (13,000 members). The UFCW membership is split between former members of the Meatcutters, who lean towards Kennedy and some retail clerks who lean toward Carter/Mondale. More work needs to be done with this union. The Vice President called President Bill Wynn last week. UFCW has since sent two full time staff people to the state, Alan Lee their top political operative and Doug Coutee, personal assistant to political director, Bill Olwell. They will supplement the efforts of the 12 UFCW local operatives who are working "more than part time" for us. They will survey every local this week, and Bill Wynn has pledged to call each local union president immediately thereafter, asking those who are neutral or pro C/M to actively support us and asking those who are pro-Kennedy to remain neutral. The UFCW has broken down its entire state membership by precinct, is surveying all of them by phone, and will provide all pro-Carter members to our GOTV operation for caucus day. The Vice President visited UFCW plants to shake hands with arriving workers in Waterloo and Dubuque during his January 3 and 4 Iowa visit. The Vice President also had private meetings with local labor leaders in both those cities.

--AFSCME ( 6,000 members ) is neutral on the national level , but has freed up its state and local membership to support the candidate of their choice. Fifteen of the 23 members of their state executive board have endorsed C/M and are working their respective locals.

#### Iowa Strategy:

All our labor efforts must be intensified in the next 17 days, and each of the International Presidents of the major unions have pledged to make a maximum effort in Iowa. That will include the following:

--GOTV and phone banks. We now have membership lists for all our supporting unions. In addition, we have obtained a home phone and address list of 150 UAW local leaders in Iowa and are working on obtaining a list of the 15,000 members of the 3 neutral Iowa UAW

locals. All will be integrated into our GOTV operation.

--Coordinated State-wide efforts. We have sent into the state to coordinate our labor efforts full-time a political operative from the Seafarers Union, John Iaccio. Although most of our unions have been working hard and our labor committee has been providing good support, all these efforts have to be strengthened and coordinated. and too many opportunities have fallen through the cracks for want of accurate daily information from Iowa and a full-time labor person on the scene who will report to us. Iaccio will fill that vacuum. He will coordinate the GOTV labor operations, ensure that maximum local union efforts are being made with dues money, coordinate the efforts of our labor committee, and provide us the kind of daily information we need to give maximum support from our end--daily lists of names for calls from the President and Vice President; names of local labor leaders who need calls from their International Presidents; soft spots or potential support at key locals that should be visited by the VP, First Lady, Chip, Ray Marshall etc.

--Building Trades--We will be asking Operating Engineers President J.C. Turner, Carpenters President Bill Sidell, and IBEW President Charlie Pillard to call their local leadership and ask for intensified support and additional caucus training. We will try to arrange a speech by the VP at their upcoming state convention Jan 15th or 16th.

--We will step up our efforts to woo and activate supporters among the Meatcutters and Bill Wynn and Bill Olwell have pledged their full assistance.

--Lighting Brushfires In The UAW. The UAW can't be given a free-ride with Kennedy, especially when we have significant support in some locals and among retirees. We need a visible pro-C/M presence in the UAW in Iowa to make it respectable for our supporters to help us; to tie down UAW operatives by forcing them to try to hold back their members from going our way; and to give the appearance in the state and national media of growing UAW defections and momentum towards us as we approach Jan 21. We plan a concerted effort to bring this about. The VP met with two UAW leaders in Dubuque today. He will hit several UAW plants on his next visit ( roughly the 13th, 14th, and 15th ). We will start phone banking UAW members in 3 major locals assuming we can get the proper lists. And we plan to go public with a UAW Members For Carter as soon as one can be established , hopefully within a week. Yakio will make this a major priority.

Predictions: We should have no illusions. Our labor effort is an uphill fight. Even though we have more numbers on paper, their unions are better organized and more experienced politically. Our effort is gearing up and getting better and the additional staff commitment and support from the NEA, CWA, UFCW and Building Trades should help. If we split the labor vote in Iowa, that will be a significant victory. Depending on events, we could even win it. Every effort will be made to achieve that goal.

THE WHITE HOUSE

WASHINGTON

January 4, 1980

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR: CHARLES SCHULTZE  
FROM: HUGH CARTER *HC*  
SUBJECT: Security Violations Quarterly Report

The President has asked that I make you aware of the following security violations:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
11/13	Lisa Blum	Secret and Confidential material found on top of safe
11/14	Val Koromzay	Safe containing classified material found open
11/15	Lisa Blum	Safe containing classified material found open
11/16	Margaret Snyder	Cabinet containing classified material found open
11/19	William Boehm	Safe containing classified material found open

cc: The President

THE WHITE HOUSE

WASHINGTON

January 4, 1980

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HC*

SUBJECT: Quarterly Security Violation Report  
(Per Your Request)

Attached are the security violations for November,  
December, 1979.

10:00 AM

*Ethnic, etc balance*

*C*

THE WHITE HOUSE

WASHINGTON

January 5, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

JACK WATSON *Jack*

SUBJECT:

Agenda for the Cabinet Meeting  
Monday, January 7, 1980  
10:00 a.m. - 12:00 p.m.  
Cabinet Room

---

All Members of the Cabinet are expected to attend this meeting except Secretary Brown, who will be represented by Under Secretary Graham Claytor.

This will be the first regular meeting of the Cabinet since October 24. You may want to welcome Shirley Hufstedler and Phillip Klutznick to this meeting.

FOREIGN POLICY ISSUES

Afghanistan: As a follow-up to the Special Cabinet Meeting on Friday before your television speech to the nation, you may want to brief the Cabinet on the reaction to your decisions by the leaders of other nations. You might also ask the Cabinet to comment on reactions they have received over the weekend. (Prior to your address Friday evening, my office completed briefing telephone calls to 40 Governors and 19 mayors (bipartisan). The overwhelming response to your actions was positive and supportive.)

Cy will be prepared to brief the Cabinet on the status of allied cooperation and support for your decisions. Either Cy or Don McHenry should be asked to report on relevant developments in the United Nations.

Bob Bergland and Phillip Klutznick will be prepared to report on the implementation of your decisions and on their departments' press and constituency briefings on Saturday.

There is confusion about our posture on the Olympic Games in Moscow. You may want to bring this issue before the Cabinet for discussion.

Iran: I suggest that you brief the Cabinet on the status of efforts to gain the release of the 50 American hostages. Cy should also report on the Iranian internal situation in general and on Iranian reaction over the weekend to your actions on Afghanistan.

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## SALT II

Cy will be prepared to discuss the current status of the SALT II treaty and reactions to our withdrawal of it from Congressional debate. You should also ask Frank Moore to comment on the Congressional reaction to its withdrawal.

## China

You may want to summarize briefly the purpose of Harold's trip to the People's Republic of China and any relevant PRC reactions and developments to the Soviet invasion of Afghanistan.

## DOMESTIC ISSUES

### Economic Policy

Charlie Schultze will be prepared to brief the Cabinet on the latest economic indicators. You might also ask him to comment on the economic implications of the grain and technology embargo of the Soviets.

Bill Miller will be prepared to brief on the effects of recent fluctuations in world money markets and specifically on the gold market.

### Energy

Since it has been such a long time between Cabinet meetings, most of the Cabinet (outside of the EPG members) have not been involved in the discussions of the last 3 months regarding various options to reduce U. S. dependency on imported oil (e.g., tax on gasoline, oil import fees, etc.). I suggest you ask Bill Miller and Charles Duncan to summarize briefly those discussions and to outline the status of other actions and initiatives that are being taken or considered.

### Consumer Programs in Federal Departments

Esther Peterson would like to be recognized for 3 - 4 minutes to review the status and implementation of the Consumer Executive Order (12160) and to explain the importance of having those programs in place before the campaign is fully underway. I recommend that you recognize Esther for those purposes. She will be very brief.

### Agency Support for the White House

Al McDonald asks that you briefly mention to the Cabinet the need for agency cooperation in supporting White House logistical and personnel needs over the next several months. I have attached talking points Al and Hugh prepared for this purpose.

Minority Procurement Goals

As you know, we did not reach our goal of tripling minority procurement in FY 1979 (to \$3.3 billion). It would be helpful if you underscored your personal commitment to this effort at the Cabinet meeting. I have attached talking points for your use.

Campaign

Since the last Cabinet Meeting there has been a dramatic change in the polls. I think the Cabinet Members would be interested in hearing your views on (a) how the campaign is progressing; and (b) your perspective on the polls.

It would also be in order for you to thank the Cabinet for their cooperation in scheduling speaking and other travel schedules in support of key state campaigns. As you know, with the Vice President and Rosalynn, the Cabinet Members have been keeping very heavy travel schedules.

Attachments

cc: Vice President  
Hamilton Jordan

TALKING POINTS FOR CABINET MEETING

RE: SUPPORT FOR THE WHITE HOUSE

- o Over the next two or three months, the White House may be calling your agency for personnel and other logistical support.

NOTE: Specific examples, which you may or may not wish to mention, include professional and clerical personnel support, logistical support for special Ambassadors, data processing, special and bulk mail referrals, special case work, etc.

- o Our requests will be modest, but when they are made, we need timely responses -- with a minimum of unnecessary delay.
- o I would like each of you to designate one executive in your department as the point of contact for these Administration requests. This individual should contact Hugh Carter this week to discuss these requests.
- o I am counting on each of you to support us fully.

## Talking Points on Minority Procurement

- \* As most of you know, I am deeply committed to increasing the amount of procurement the Federal government does with minority businesses. In 1977, we did \$1.1 billion worth of business with minority firms and in the spring of 1978, I pledged to triple that amount by the end of FY 1979. Although we increased the amount of our contracts to about \$2.5 billion, we fell short of our \$3.3 billion goal.
- \* There are numerous reasons why we did not reach our goal -- I won't go into the details here -- but I want you to understand that increasing federal procurement with minority businesses remains a high priority with me.
- \* In addition to direct contracts with minority businesses, we now have P.L. 95-507 which, if properly enforced by your agencies, will ensure minorities and small businesses a substantial share of subcontracts from large companies contracting with the Federal government. Although I signed this law in October of 1978, to date, no federal agency has fully implemented these subcontracting provisions, and some agencies have just barely just begun the implementation process. This is completely unacceptable. I understand that implementing a new and complex law is difficult and takes time. But the progress to date in every agency has been less than adequate, and I urge each one of you to take a closer look at what is occurring in your agency.
- \* I am very disturbed also that the performance of several agencies in the direct contracting area has been so poor. Several of you did not meet your goals for this year--and you will be hearing from me directly.
- \* We have set a goal of \$3.8 billion in direct and subcontracts with minority businesses for FY 1980, and Commerce and SBA are working with the appropriate individuals in each agency to establish each agency's goal.
- \* I have asked Jack Watson to assume responsibility for seeing that we reach our goal. I have directed him to take any necessary actions in my name so that we do not fall short in FY 1980.
- \* I expect each of you to follow up personally with the appropriate persons in your agency to ensure you are doing all that can be done in this area.

1-7-80

Cabinet Meeting 1/7/80

# CHR CORP LOAN GUAR ACT

DETROIT

1/7/80

BLANCHARD, MOOREHEAD  
RIEGLE, LEVIN, (BYRD, EAGLETON)

DOUG, FRASER, LANE, KIRKLAND

YOUNG, FRASER, IACocca

GUAR #1/2 PRIN LOANS

+ 2 B ADD. COMM/CONCESSIONS

ENTIRE PEG

CHRYSLER UNIQUE

MOST DIVERSIFIED WK FORCE IN U.S.

COMMUN'S - THROUGH OUT NATION

GOVT CAN ACT QUICKLY

LEGS - ONLY BEGINNING

HELP IF CHR IS TO SURVIVE

DEALERS, SUPPLIERS, Ford/Dom

FIN INST, STATE GOVT, EMP

200,000 JOBS, CH, SUP, DEALERS

DOMESTIC AUTO INDUSTRY

THE WHITE HOUSE  
WASHINGTON

Cabinet mtg

1-7-80

> Afghan - UN - Grant, etc -

> Iran - UN - Int. Comm -

> SALT II

> PRC

Schultz > Econ - Hours & Auto & Consumer > Sea >  
OPIC = -3% GNP = 5%

Mittler > Finance

Duncan > Energy

Esther > Consumer

> Agency support W.H.

> Minority procurement = PL 95-507 '78

Campaign

Ethnic balance

Element. rla

Steel dumping

Low inc asst

OCAW

Youth employ

talk to G  
unidentified man

"out box" Monday, January 7, 1980

~~THE WHITE HOUSE  
WASHINGTON~~

~~Mex. Cit Price~~

~~Food -> Camb~~

~~Aid -> U.S.A.~~

~~Aid -> indiv nations~~

~~D-betts~~

~~Iraq~~

> ~~Call 7/7 as SMT delay~~

> EW Clement Black judge - Ala  
    hung -

> ~~Cramer - set~~

> ~~Speech~~

Embassy - set/wash

Ginsberg Ct. of App

ats/cari

Max -> SC?

Iron Regret points  
-Tody too negative

Andy/ATI

C. Clifford -> Pak

Tr. helicopters, other action

Tony Lewis

Mrs Gandhi

Iraq 5/11 -> U.S. vote

THE WHITE HOUSE  
WASHINGTON

*(in file)*  
Q

1/7/80 cc Stewart  
By [unclear]  
1/7/80  
SL

Have talked to both Ford and Nixon, and they both approve of your actions.

--ZB

*ZB*

*Kissinger?*

*Get them all to speak out*

*J*

THE WHITE HOUSE  
WASHINGTON

1/7/80

Mr. President:

Jim McIntyre has 10 minutes of budget appeals to run by you. He would like to do it by close of business today. May I schedule?

yes  no

Phil

*J*

THE WHITE HOUSE  
WASHINGTON

1/7/80

Mr. President:

I'm setting up a congressional briefing tomorrow night per your request thru Frank Moore.

approve  disapprove

Phil

*J*

THE WHITE HOUSE  
WASHINGTON

January 7, 1980

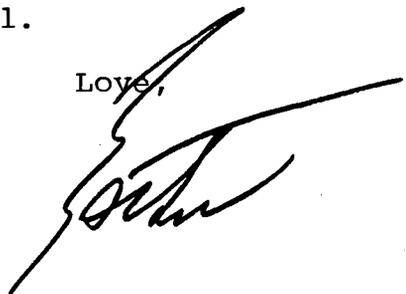
Dear Mr. President:

Thank you for calling on me this morning  
at the Cabinet meeting.

You so well expressed critical points  
which I too hastily touched on but  
which needed saying at this time and  
before this group.

I'm ever grateful.

Love,

A handwritten signature in black ink, appearing to be "John", written over the word "Love,".