

4/2/80

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 4/2/80;
Container 157

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo	Bob Thomson to the President. Re: Senator S.I. Hayakawa. (1 p.)	4/1/80	C

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of Staff Sec.-
 Pres. Handwriting File, "4/2/80." Box 179

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.
- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

Wednesday - April 2, 1980

7:30

Dr. Zbigniew Brzezinski - The Oval Office.

8:00

(60 min.)

Breakfast with Economic Advisers. (Dr. Alfred Kahn) - The Cabinet Room.

*Kahn is doing
will have @ 6:00*

9:30

Signing Ceremony for Windfall Profits Tax Legislation. (Mr. Frank Moore) - East Room.

we have wexler

10:00

Mr. Hamilton Jordan and Mr. Frank Moore.
The Oval Office.

12:10

GREETINGS/PHOTOGRAPHS - The Oval Office.
(SEE ATTACHED)

12:30

PRIVATE LUNCHEON WITH MR. IRVING SHAPIRO/
BUSINESS LEADERS. (Ms. Anne Wexler).
Second Floor Private Dining Room.

1:45

(30 min.)

Mr. Hedley Donovan - The Oval Office.

2:30

(15 min.)

Reception Honoring Black Artists. (Mr. Louis Martin) - The State Floor.

6:30

Buffet/Briefing for Senate Group. (Mr. Frank Moore) - The State Floor.

*Don Tate**if we're not
here they'll put it
on desk*

GREETINGS AND PHOTOGRAPHS

Wednesday - April 2, 1980

12:10
(3 min.)

Ambassador Philip C. Habib. (Dr. Zbigniew Brzezinski) - The Oval Office.

12:15
(3 min.)

Congressman Harley O. Staggers and Ms. Lisa D. Simmons, West Virginia Strawberry Festival Queen. (Mr. Frank Moore).
The Oval Office.

~~Do not hang one~~
SW

12:20
(3 min.)

Presentation of the Cancer Courage Award to Mr. Otto Graham, Athletic Director, U.S. Coast Guard Academy. (Ms. Anne Wexler) - Oval Office.

+ ✓ 12:25

Taping / Sen. Chiles.
(Dan Tate)

02 Apr 80

Secretary Brown

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

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

PRIVATE

4-2-50

To Harold Brown

This creates a
real problem for me.

I would like the
decision reversed, either
now or as soon as
possible. Please check
on these exceptions in
DoD personally & let
me know if there is
a problem -

Thanks, J.C.

Mobil Oil Wins \$154.2 Million Contract From U.S. Despite New Rebuke by Carter

By WALL STREET JOURNAL Staff Reporter

WASHINGTON—Mobil Oil Corp. got a new rebuke from President Carter and a new \$154.2 million contract from the Defense Department.

The jet fuel contract, issued by the Defense Logistics Agency, was announced only a few hours after the President renewed his criticism of the Mobil Corp. subsidiary for what he said were violations of the government's voluntary price guidelines. Yesterday's criticism, before a meeting of construction union members, was essentially a replay of the tongue-lashing the President gave Mobil Friday.

At that time, the Council on Wage and Price Stability said it was adding Mobil's name to a list of concerns that may be barred from getting government contracts of \$5 million or more.

A Pentagon spokesman said the contract was actually awarded Friday, even though it was only announced yesterday. Moreover, a spokesman for the price council explained that, under the agency's regulations, Mobil won't be formally listed as a noncomplier until today. It would have been premature for the government to withhold the contract, the spokesman said.

Another reason Mobil got the contract, one Pentagon official said, was that the type of jet fuel involved is scarce. "The Department of Defense is in the business of national security," said George Marienthal, a deputy assistant defense secretary. "We needed the fuel, so we proceeded." He added that it's possible Mobil will continue to get fuel-supply contracts if the fuel is scarce. The price rules would permit the contract in such a situation.

In other developments, Mobil announced in its annual report that it will test this year a system for deep-ocean drilling in water as deep as 6,000 feet. Mobil said it has developed a method for connecting flow lines to oil or gas wells that will significantly add to the depths at which commercially viable drilling can be done offshore. Technology currently restricts production from water to depths of about 1,000 feet.

At the same time, Mobil said Newfoundland Province has made a novel claim to a 40% equity interest in the Hibernia discovery, in which Mobil holds the largest interest, 21.8%, among the drilling partners. Mobil indicated the claim could take a long time to resolve in the courts.

Separately, Mobil said it has largely written off its expenditures in the Baltimore Canyon, where it drilled two unsuccessful wells.

Mobil wasn't the only company to get a big fuel contract yesterday. Atlantic Richfield Co. was awarded an \$83.3 million contract from the Defense Logistics Agency for jet fuel and marine diesel fuel.

Other contracts announced yesterday by the Pentagon went to:

Todd Shipyards Corp., two Navy contracts totaling \$25.5 million for ship overhaul and modification.

C-Three Inc., Reston, Va., a \$16.7 million Army contract for data-processing equipment.

Lockheed Missiles & Space Co., a unit of Lockheed Aircraft Corp., \$14.8 million in contracts for a data link for remotely piloted vehicles for the Army and for materials used in the Navy's ballistic missile program.

Honeywell Inc., a \$14 million Army contract for fuzes.

Hughes Aircraft Co., a \$10 million Army contract for spare parts for radar used to locate enemy mortars and artillery.

Bendix Corp., a \$9.9 million Air Force contract for fuel controls and sensors for engines used in F15 and F16 fighter planes.

Western Electric Co., the manufacturing arm of American Telephone & Telegraph Co., an \$8.7 million Navy contract for oceanographic research.

McDonnell Douglas Corp., a \$7.6 million Navy contract for Harpoon missiles and related spare parts, equipment and services.

Kentron International, a \$7.4 million Air Force contract for base-operating services.

General Electric Co., a \$6.8 million Navy contract for improvement of a gas turbine.

Coopers & Lybrand, a \$4.4 million Navy contract for civil service personnel training.

Chrysler Corp., a \$4 million Army contract for engineering work on installation of a 120-millimeter gun on the new XM1 tank.

Armament Systems Inc., a \$4 million Navy contract for services, materials and facilities used in evaluating weapons systems.

Lancer Clothing Corp., a \$3.3 million contract from the Defense Logistics Agency for cold-weather jackets.

THE WHITE HOUSE

WASHINGTON

April 1, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: LOUIS MARTIN

SUBJECT: NATIONAL CONFERENCE OF ARTISTS RECEPTION
WEDNESDAY, APRIL 2, 1980 2:30 P.M. EAST ROOM

I. PURPOSE

To receive members and guests of the National Conference of Artists who are in Washington for their 22nd annual convention and to recognize ten elder Black artists who are being honored by NCA.

II. BACKGROUND, PARTICIPANTS, AND PRESS

- A. BACKGROUND: The National Conference of Artists was founded at Atlanta University in 1958 to preserve, promote and develop the creative forces and expressions of African-American artists. NCA is the largest and oldest organization of Black visual artists in the United States. Membership consists of African-American artists, art educators, art administrators and others involved in art and is organized into regional, state, and local chapters throughout the United States, Mexico and the Caribbean.

This year during the 22nd annual convention, NCA is giving special recognition to ten Black elders of the visual arts: Charles White, Romare Bearden, Richard Barthe, James L. Wells, Jacob Lawrence, Hale Woodruff, Margaret Burroughs, Archibald Motley, Lois M. Jones, and Ernest Crichlow. Each of these artists has made a significant contribution to preserving Black America through art. One of the artists, Charles White, died in October 1979; the others are all over 60 years of age.

As part of NCA's recognition of these established and highly deserving artists, the Corcoran Gallery of Art has on exhibit select pieces of the ten artists. In addition, Mayor Marion Barry has proclaimed April 1-7, 1980 as African-American Visual Artists Week. NCA will also be presenting special awards to the artists during its Awards Banquet.

The Chairman of the Board of Directors of NCA is Robert Stull, Chairman of the Art Department of Ohio State University. Willis Bing Davis is National President of the organization and is Chairman of the Art Department at Central State University in Ohio.

- B. PARTICIPANTS: Approximately 200 members and guests have been invited to the reception to honor the artists.

Five of the nine living artists (Richard Barthe, Margaret Burroughs, Ernest Crichlow, Lois Mailou Jones, James Lesesne Wells) and Mrs. Frances White, widow of Charles White, will attend. Failing health is preventing the other artists from being present. Biographical information on each of the artists is attached.

Mrs. Carter, Mrs. Joan Mondale, Mr. and Mrs. Livingston Biddle of the National Endowment of the Arts will also be in attendance.

White House Staff: Louis Martin

- C. PRESS: White House Photographer and Open Press Opportunity.

III. FORMAT AND TALKING POINTS

- A. TALKING POINTS: Talking points will be provided by the speechwriters.

- B. FORMAT: The honorees and other special guests will be assembled in the Blue Room for greetings and photographs prior to the program. The honorees will be seated on the stage with the President during the program. ~~We hope that time will permit a receiving line and individual photographs with the President.~~



BOARD OF DIRECTORS

Robert Stull, Chairman
 Mack Jordan
 Royd Coleman
 James Parks
 Arthur Britt
 Margaret Burroughs
 Jewel Simon
 Lorry De Pillars
 Tony Brown
 Al Gray Ward
 Laki Madhubuti

Executive Board

Willis Bing Davis, President
 Ron Onye Lockard, 1st V. President
 Napoleon Henderson, 2nd V. President
 Barbara Hudson, 3rd V. President
 Akua Sharif-McDaniel, Ex. Secretary
 Loretta Ballard, Fin. Secretary
 Elizabeth W. Pierce, Treasurer
 Grace Mathews, Recording Secretary
 Evangeline J. Montgomery, Coordinator of Regions
 Brenda Fakeye Burns, Director of Youth Programs
 Dwight Smith, Public Relations Director
 John Pori-Pitts, Parliamentarian
 J. Parker, Sergeant-at-Arms
 Darlene Clave, Ex. Dir. Art Services Division

The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

RICHMOND BARTHE
 b. 1901

Sculptor, painter. Born in Bay St. Louis, Missouri. Studied at the Art Institute of Chicago, ca. 1920-24; Art Students League, New York, 1931. Studied under Charles Schroeder and Albin Polasek.

Major Exhibitions: Delphic Studios, New York, 1925 (one-man); Caz-Delbos Gallery, New York, 1925 (one-man); Women's City Club, Chicago, 1927; Harmon Foundation, New York, 1929, 1931, 1933; Whitney Museum of American Art, New York, 1933, 1935, 1939; Century of Progress, Chicago, 1933-34; Salons of America, New York, 1934 (one man); Harmon Foundation--CAA Traveling Exhibition, 1934; Howard University Gallery of Art, Washington, D.C., 1934, 1970; New Jersey State Museum, Trenton, 1935 (one-man); Texas Centennial Exposition, Museum of Fine Arts, Dallas, 1936; Arden Gallery, New York, 1938 (one-man); Pennsylvania Academy of the Fine Arts, Philadelphia, 1938, 1939; New York World's Fair, 1939-40; The Baltimore Museum of Art, 1939; American Negro Exposition, Chicago, 1940; Philadelphia Museum of Art, 1940; Grand Central Gallery, New York, 1947; Margaret Brown Gallery, Boston, 1947; The Newark Museum, 1971; City College of New York; Rankin Gallery, Washington, D.C. (one-man); University of Wisconsin, Madison (one-man).

Richmond Barthe turned from painting to sculpture when two clay heads that he had modeled purely for his own pleasure were exhibited at the Chicago Women's City Club in 1927 and received immediate praise. His sculptures, mostly of black subjects, evidence his great technical ability for working in bronze. Boxer reveals the strong emotional effect the artist achieved through elongation of the form, articulation of anatomical details, and an animated treatment of the carefully finished surface. Because movement carries through all parts of the body, the total effect is unlabored and free.



BOARD OF DIRECTORS

Robert Stull, Chairman
 Jack Jordan
 Royd Coleman
 James Parks
 Thur Britt
 Margaret Burroughs
 Jewel Simon
 Murrey De Pillars
 Tony Brown
 Al Gray Ward
 Aki Madhubuti

Executive Board

Willis Bing Davis, President
 Ron Onye Lockard, 1st V. President
 Napoleon Henderson, 2nd V. President
 Barbara Hudson, 3rd V. President
 Akua Sharif-McDaniel, Ex. Secretary
 Loretta Ballard, Fin. Secretary
 Elijah W. Pierce, Treasurer
 Grace Mathews, Recording Secretary
 Evangeline J. Montgomery, Coordinator of Regions
 Brenda Fakeye Burns, Director of Youth Programs
 Dwight Smith, Public Relations Director
 Ron Porri-Pitts, Parliamentarian
 Ed Parker, Sergeant-at-Arms
 Charlene Clave, Ex. Dir. Art Services Division

President:
 Willis Bing Davis
 95 N. Broad Street
 Fairborn, Ohio 45484

The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

CHARLES WHITE
 b. 1918

Painter, graphic artist, educator. Born in Chicago. Studied at the Art Institute of Chicago; Art Students League, New York; Taller de Grafica, Mexico.

Major Exhibitions: ACA Gallery, New York, 1941; Palace of Culture, Warsaw, 1967; Howard University Gallery of Art, Washington, D.C., 1967; Morgan State College, Baltimore, 1967; Fisk University, Nashville, 1968; University of Dayton, 1968; Central State College, Xenia, Ohio, 1968; Whitney Museum of American Art, New York, 1968, 1971; Wilberforce College, Xenia, Ohio, 1968; Wright State University, 1968; Dayton Art Institute, 1968; Otis Art Institute, Los Angeles, 1968; Kunstneres Hus, Oslo, 1968; Pushkin Museum, Moscow, 1968; Heritage Museum, Leningrad, 1968; Heritage Gallery, Los Angeles, 1968; Museum of Fine Arts, Boston, 1969; Claremont College, 1969; La Jolla Museum of Contemporary Art, 1970; The Metropolitan Museum of Art, New York, 1971; Smithsonian Institution, Washington, D.C., 1971; and over 80 other exhibitions.

Charles White has been a force in black American art since he shared his early days in Chicago with other soon-to-be-known artists such as Charles Sebree, Eldzier Cortor, Archibald Motley, Jr., and with writers Richard Wright, Gwendolyn Brooks, Willard Motley, and Lorraine Hansberry. So stimulating was his association with these young black creative artists that Charles White was moved to make his own personal statement by painting his people as he saw them -- "Charles White is one of the great voices among those black Americans who during the past thirty years have been the real interpreters of the American Negro."¹ By many standards, Charles White's work is extremely traditional, for he works with the old materials--pen and ink, lithography, oil on canvas--and he accepts the discipline of the old formats. But in other ways he is far from orthodox; he teaches his students to work within the contemporary context, using the materials and subjects they see around them. White stands out among his contemporaries because he is endowed with a very special versatility, having worked in a variety of media and styles.

1. James A. Porter, "The ART of Charles White: An Appreciation," in Charles White, Fisk University. September-October, 1967. p. 4.

Ex. Secretary:
 M. Akua Sharif-McDaniel
 P.O. Box 53435
 Chicago, Ill. 60653

Fin. Sec./Membership:
 E. Loretta Ballard
 2225 17th St., N.W.
 Washington, D.C. 20011



BOARD OF DIRECTORS

Robert Stull, Chairman
 Jack Jordan
 Floyd Coleman
 James Parks
 Arthur Britt
 Margaret Burroughs
 Jewel Simon
 Murry De Pillars
 Tony Brown
 Val Gray Ward
 Haki Madhubuti

Executive Board

Willis Bing Davis, President
 Jon Onye Lockard, 1st V. President
 Napoleon Henderson, 2nd V. President
 Barbara Hudson, 3rd V. President
 M. Akua Sharif-McDaniel, Ex. Secretary
 E. Loretta Ballard, Fin. Secretary
 Delilah W. Pierce, Treasurer
 Grace Mathews, Recording Secretary
 Evangeline J. Montgomery, Coordinator of Regions
 Brenda Fakeye Burns, Director of Youth Programs
 Dwight Smith, Public Relations Director
 A. Ibn Pori-Pitts, Parliamentarian
 Ed Parker, Sergeant-at-Arms
 Charlene Claye, Ex. Dir. Art Services Division

The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

JAMES LESENE WELLS

b. 1902

Painter, printmaker, educator. Born in Atlanta, Georgia. Studied at Lincoln University, Pennsylvania; National Academy of Design, New York, under Frank Nankerville; Teacher's College, Columbia University, New York, B.S.

Major Exhibitions: New York Public Library, 1921; Montclair YWCA, 1930; Harmon Foundation, New York, 1931, 1933; Delphic Studios, New York, 1932 (one-man); Downtown Gallery, New York, 1932; The Brooklyn Museum, 1932 (one-man); Barnett-Aden Gallery, Washington, D.C., 1932 (one-man); Philadelphia Museum of Art, 1933; Tyler Museum, Philadelphia, 1933; Fisk University, Nashville, 1933; Spelman College, Atlanta, 1933; Atlanta University, 1933; Harlem Art Center, 1933; Studio House, Washington, D.C., 1935; New Jersey State Museum, Trenton, 1935; Texas Centennial Exposition, Museum of Fine Arts, Dallas, 1936; Howard University Gallery of Art, Washington, D.C. 1937, 1945, 1970; Smithsonian Institution, Washington, D.C., 1940; American Negro Exposition, Chicago, 1940; Smith College, Northampton, 1943; Institute of Contemporary Art, Boston, 1943; New Age Gallery, New York, 1947-50, 1960-61; Society of American Graphic Artists, New York, 1950-59; Artists Mart, Washington, D.C., 1957; Washington Printmaker Annuals, 1957-62; African Traveling Exhibition of Paintings and Prints by International Group, Washington, D.C., 1961; Sheraton Hotel, Philadelphia, 1968; Weyhe Gallery, New York, 1971; Philadelphia Print Club, 1971; Dydensing Gallery, New York, 1971; Dallas Exposition, 1971; The Baltimore Museum of Art, 1971; Albright-Knox Art Gallery, Buffalo, 1971; State Armory, Wilmington, 1971; Smith-Mason Gallery of Art, Washington, D.C., 1971.

The name of James L. Wells has appeared consistently on every list of notable black artists of the twentieth century. Biblical themes, mythology, and nature have been the major sources of his imagery, providing him with significant artistic forms to express his Christianity. Wells' figures, almost exclusively black, represent his intensely religious attitude toward life. In works like Market Place, his colors are applied layer upon layer, and the effect of depth thus created replaces perspective in his figural compositions which sometimes become two-dimensional. Certain aspects of his painting were derived from German Expressionism and Cubism, and the intensity of his work in even his tenderest studies is truly Expressionist.

President:
 Willis Bing Davis
 35 N. Broad Street
 Fairborn, Ohio 35484

Ex. Secretary:
 M. Akua Sharif-McDaniel
 P.O. Box 53435
 Chicago, Ill. 60653

Fin. Sec./Membership:
 E. Loretta Ballard
 4405 - 17th St., N.W.
 Washington, D.C. 20011



The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

ARCHIBALD J. MOTLEY, JR.
b. 1891

Painter. Born in New Orleans, Louisiana. Studied under Karl Buehler, and Norton and Krehbiel at the Art Institute of Chicago.

Major Exhibitions: Harmon Foundation, New York, 1929, 1931; Guggenheim Fellows Exhibition, New York, 1931, 1933; American Scandinavian Exhibition, 1931; Art Institute of Chicago, 1932, 1934; Smithsonian Institution, Washington, D.C., 1933; Toledo Museum, 1934, Corcoran Gallery of Art, Washington, D.C., 1934, Howard University Gallery of Art, Washington, D.C., 1937, 1938, 1945; The Baltimore Museum of Art, 1939; Library of Congress, Washington, D.C. 1940; La Jolla Museum of Contemporary Art, 1970.

Archibald Motley's deep need to create an art of intense reality out of the familiar world led him to abandon international styles of experimental painting for genre scenes of black people. Even after he found the subject matter of his mature years in the life of the city, Motley's sensitivity to the quality of light, whether electrical, dawn, or dusk, remained one of the elements of his art. Architecture, too, plays a role in Motley's work by providing a setting for the drama that is always implied in his paintings. Never melodramatic, they describe the routines of everyday living, with the human factor ever present. This distinguishes Motley's paintings from those of most of his contemporaries and gives them an added importance. One is keenly aware of life going on behind the facades of his buildings--life in all its loneliness, ugliness, affection, and nobility. Archetypes of commonplace existence, each Motley painting sums up myriad familiar visual experiences and from them creates a powerful work of art.

BOARD OF DIRECTORS

Robert Stull, Chairman
Clark Jordan
Lloyd Coleman
James Parks
Charles Britt
Margaret Burroughs
Lester Simon
Harry De Pillars
Henry Brown
Gray Ward
Madhubuti

Executive Board

James Bing Davis, President
Onya Lockard, 1st V. President
Coleon Henderson, 2nd V. President
Sara Hudson, 3rd V. President
Akua Sharif-McDaniel, Ex. Secretary
Loretta Ballard, Fin. Secretary
John W. Pierce, Treasurer
Joe Matthews, Recording Secretary
Angeline J. Montgomery, Coordinator of Regions
Linda Fakeye Burns, Director of Youth Programs
Robert Smith, Public Relations Director
John Poiri-Pitts, Parliamentarian
Parker, Sergeant-at-Arms
Gene Claye, Ex. Dir. Art Services Division

President:
James Bing Davis
Broad Street
Cincinnati, Ohio 35484

Ex. Secretary:
M. Akua Sharif-McDaniel
P.O. Box 53435
Chicago, Ill. 60653

Fin. Sec./Membership:
E. Loretta Ballard
4405 17th St. N.W.
Washington, D.C. 20011



BOARD OF DIRECTORS

Robert Stull, Chairman
 Jack Jordan
 Floyd Coleman
 James Parks
 Arthur Britt
 Margaret Burroughs
 Jewel Simon
 Murry De Pillars
 Tony Brown
 Val Gray Ward
 Haki Madhubuti

Executive Board

Willis Bing Davis, President
 Jon Onye Lockard, 1st V. President
 Napoleon Henderson, 2nd V. President
 Barbara Hudson, 3rd V. President
 M. Akua Shari-McDaniel, Ex. Secretary
 E. Loretta Ballard, Fin. Secretary
 Deliah W. Pierce, Treasurer
 Grace Mathews, Recording Secretary
 Evangeline J. Montgomery, Coordinator of Regions
 Brenda Fakeye Burns, Director of Youth Programs
 Dwight Smith, Public Relations Director
 A. Ibn Pori-Pitts, Parliamentarian
 Ed Parker, Sergeant-at-Arms
 Charlene Claye, Ex. Dir. Art Services Division

The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

LOIS MAILLOU JONES

b. 1905

Painter, designer, illustrator, educator. Born in Boston, Massachusetts. Studied at Boston Normal Art School; School of the Museum of Fine Arts, Boston; Teachers College, Columbia University; Howard University, Washington, D.C.; Academie Julian, Paris; Ecole des Beaux-Arts, Paris.

Major Exhibitions: Harmon Foundation, New York 1930-31; Salon des Artistes Francais, Paris, 1938-39; Galerie de Paris, 1938; Corcoran Gallery of Art, Washington, D.C., 1939, 1951, 1968; The Baltimore Museum of Art, 1939, 1940, 1944; National Academy of Design, New York, 1942, 1944, 1949, 1951, 1969; Museum of Fine Arts, Boston, 1970, 1973 (one-woman); National Gallery of Art, Washington, D.C.

"Lois Jones is one of the few figures in American art to achieve a long, exciting and inspiring career."¹ Her position as one of black America's premier artists was established when she won her first award in Boston in 1926. She is known throughout the world as a great art teacher and a painter of amazing versatility. Her oeuvre includes oil paintings in the style of the late nineteenth-century French school; figurative subjects depicting scenes of American social injustice; and more abstract, design oriented pieces in acrylic. Some of her early works were directed toward the injustices suffered by black Americans, and she used here impassioned art to express these inequities. In Mob Victim the man's sad eyes, hopeless face, and passive gestures are given a biting intensity by Jones' harsh delineations. The deep compassion that lies behind this harrowing protest against the waste of black lives is made all the more effective because the artist has avoided the stylistic cliches of righteous indignation and moral fervor.

1. Edmund B. Gaither, The Barnett Aden Collection (Washington, D.C.; Smithsonian Institution Press for the Anacostia Neighborhood Museum, 1974), p. 173.

President:
 Willis Bing Davis
 36 N. Broad Street
 Fairborn, Ohio 35484

Ex. Secretary:
 M. Akua Shari-McDaniel
 P.O. Box 53435
 Chicago, Ill. 60653

Fin. Sec./Membership:
 E. Loretta Ballard
 4405 - 17th St., N.W.
 Washington, D.C. 20011



The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

JACOB LAWRENCE
b. 1917

Born in Atlantic City, New Jersey. Studied at the Art Workshop, Harlem, under Charles Alston and Henry Bannarn; Harlem Art Center and American Artists School, 1937-39; Harlem Workshop, 1932.

Major Exhibitions: Alston-Bannarn Studios, Harlem, 1935-37; Harlem Art Center, 1936-39; Detroit Institute of Arts, 1938; Dillard University, New Orleans, 1938; Fisk University, Nashville, 1938; The Baltimore Museum of Art, 1939; New York Federal Art Project, 1938-40; Museum of Modern Art, New York, 1963; The Metropolitan Museum of Art, New York, 1963; Art Institute of Chicago, 1963; Museum of Fine Arts, Boston, 1970.

Lawrence, like so many other artists of social protest in the thirties and forties, began his career in a settlement house art class and was supported by the Depression-born W.P.A. in his early years.

"Jacob Lawrence has looked at history with the discerning eye of a sensitive critic. He has recorded a visual record which touches upon our national and ancestral interests. It is obviously noticeable that his paintings contain some of the visual symbols associated with man's protest against the intolerable conditions that often beset him, but they also present to us a segment of reality which ties our own lives to history that is reflected in the immediate drama of contemporary living. This is the reason why his style in art cannot be crammed into the usual bag of modern isms. Thus, he distinguishes himself as an artist who is highly sensitive to the conditions of life that face all mankind." 1

1. David Driskell, The Toussaint L'Ouverture Series by Jacob Lawrence (Nashville: Fisk University, 1968), p. 2.

BOARD OF DIRECTORS

Robert Stull, Chairman
Jack Jordan
Floyd Coleman
James Parks
Arthur Britt
Margaret Burroughs
Jewel Simon
Murry De Pillars
Tony Brown
Val Gray Ward
Haki Madhubuti

Executive Board

Willis Bing Davis, President
Jon Onye Lockard, 1st V. President
Napoleon Henderson, 2nd V. President
Barbara Hudson, 3rd V. President
M. Akua Sharif-McDaniel, Ex. Secretary
E. Loretta Ballard, Fin. Secretary
Delilah W. Pierce, Treasurer
Grace Matthews, Recording Secretary
Evangeline J. Montgomery, Coordinator of Regions
Brenda Fakeye Burns, Director of Youth Programs
Dwight Smith, Public Relations Director
A. Ibn Pori-Pitts, Parliamentarian
Ed Parker, Sergeant-at-Arms
Charlene Claye, Ex. Dir. Art Services Division

Ex. Secretary:
M. Akua Sharif-McDaniel
P.O. Box 53435
Chicago, Ill. 60653

Fin. Sec./Membership:
E. Loretta Ballard
4425 - 17th St., N.W.
Washington, D.C. 20011

President:
Willis Bing Davis
36 N. Broad Street
Fairborn, Ohio 35484



BOARD OF DIRECTORS

Robert Stull, Chairman
Clark Jordan
Lloyd Coleman
James Parks
Laurie Britt
Margaret Burroughs
Lewell Simon
Henry De Pillars
Henry Brown
Gray Ward
Kofi Madhubuti

Executive Board

Charles Bing Davis, President
Onye Lockard, 1st V. President
Coleman Henderson, 2nd V. President
Barbara Hudson, 3rd V. President
Akua Sharif-McDaniel, Ex. Secretary
Loretta Ballard, Fin. Secretary
Mah W. Pierce, Treasurer
Alice Mathews, Recording Secretary
Angeline J. Montgomery, Coordinator of Regions
Linda Fakeye Burns, Director of Youth Programs
Robert Smith, Public Relations Director
John Poir-Pitts, Parliamentarian
Parker, Sergeant-at-Arms
Arlene Claye, Ex. Dir. Art Services Division

The following information was taken from the catalogue
"Black Artists/South" by Ralph M. Hudson.

EARNEST CRICHLLOW
b. 1914

Born in New York City. Studied at New York University and the Art Students League. Earnest Crichlow was one of the artists who benefited from the Augusta Savage school in New York early in his career. He worked in the Federal Art Projects in New York and in Greensboro, N.C. He taught at Shaw University in Raleigh; the Brooklyn Museum; N.Y. State University, New Paltz, and the City College of New York. Along with Romare Bearden he was one of the co-founders of the Cinque Gallery in New York, established to give black artists a place to exhibit.

His exhibition activity began in 1938 and has continued since. His paintings and prints are in a number of collections. In paintings like his "White Fence" series, he used his art to picture the dichotomy between the opportunities available to black versus white children and the artificial barriers separating their life spheres. His etching, "Day Dreams", is from the Tougaloo College Collection. The subject here is contemplative and not involved in protests.



BOARD OF DIRECTORS

Robert Stull, Chairman
 Mark Jordan
 Donald Coleman
 Charles Parks
 Robert Brill
 Margaret Burroughs
 Robert Simon
 Mary De Pillars
 Robert Brown
 Gray Ward
 John Madhubuti

Executive Board

John Bing Davis, President
 Onye Lockard, 1st V. President
 Coleon Henderson, 2nd V. President
 Barbara Hudson, 3rd V. President
 Akua Sharif-McDaniel, Ex. Secretary
 Coretta Ballard, Fin. Secretary
 John W. Pierce, Treasurer
 George Mathews, Recording Secretary
 Angelina J. Montgomery, Coordinator of Regions
 Sandra Fakeye Burns, Director of Youth Programs
 Robert Smith, Public Relations Director
 John Pori-Pitts, Parliamentarian
 Robert Parker, Sergeant-at-Arms
 Irene Claye, Ex. Dir. Art Services Division

The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

MARGARET T. BURROUGHS
 b. 1917

Painter, sculptor, educator, writer, illustrator, graphic artist. Born in St. Rose Parish, Louisiana. Studied at Chicago Normal School; Art Institute of Chicago, B.A.E., M.A.E.; Teacher's College, Columbia University, New York; Northwestern University, Chicago; in Mexico City. Founder of National Conference of Artists.

Major Exhibitions: American Negro Exposition, Chicago, 1940; Illinois State University, Chicago, 1942; Atlanta University, 1943, 1945; Winston-Salem Teacher's College, 1945; San Francisco Civic Museum, 1949; Market Place Gallery, New York, 1950; Kenosha Public Museum, Wisconsin, 1953; Hull House, Chicago, 1955; Mexico City, 1955; Poland, 1965; International Kook Art Exhibit, Leipzig, Germany, 1965; House of Friendship, Moscow, 1967.

One of the most versatile and distinguished black women in American art, Margaret Burroughs is a founder of the South Side Community Art Center in Chicago; originator of Chicago's Lake Meadows Outdoor Art Fair; founder and director of the Ebony Museum of Negro History and Art in Chicago. In addition to publishing two juvenile books titled Jasper the Drummin' Boy (1947) and Did You Feed My Cow? (1955), she has also served as art director and research assistant for the Negro Hall of Fame. In Slum Child Burroughs hints that the girl faces a hopeless, "ready-made" life, suggested by the curtained windows of the dreary apartments behind her. Although the filtered light lends a kind of poetry to the drab surroundings, the viewer cannot ignore the squalor that is softened only by the artist's vision.



The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

ROMARE BEARDEN
b. 1912

Painter. Born in Charlotte, North Carolina. Studied at New York University, B.S.; University of Pittsburg; American Artists School; Art Students League, New York under George Grosz; Columbia University, New York, 1943; Sorbonne, Paris, 1950-51.

Major Exhibitions: Carnegie Museum, Pittsburg, 1937; American Art Gallery, New York, 1938; Harlem Art Center, 1939; McMillen, Inc., Galleries, New York, 1941; Downtown Gallery, New York, 1941; Institute of Contemporary Art, Boston, 1943; Smith College, Northampton, 1943; Atlanta University, 1944; G Place Gallery, Washington, D.C., 1945 (one-man); Corcoran Gallery of Art, Washington, D.C., 1965; Rockford College, 1965; Fine Arts Gallery of San Diego, 1966; The Oakland Museum, 1967; Bundy Art Gallery, Waitsfield, Vermont, 1967; American Academy of Arts and Letters, New York, 1966, 1972; J.L. Hudson Gallery, Detroit, 1968; Spelman College, Atlanta, 1968; Williams College, Williamstown, Massachusetts, 1969; Dartmouth College, Hanover, 1969; Rhode Island School of Design, Providence, 1969; San Francisco Museum of Art, 1969; Cordier and Ekstrom Gallery, New York, 1970; Tricia Karliss Gallery, Provincetown, Massachusetts, 1970; Howard University Gallery of Art, Washington, D.C., 1970; Museum of Fine Arts, Boston, 1970; Contemporary Arts Museum, Houston, 1970; Minneapolis Art Gallery, 1971; Columbus (Ohio) Museum of Art, 1971; Albany Institute of History, 1971; The Newark Museum, 1971; University of Iowa, Iowa City, 1971-72; Sidney Janis Gallery, New York, 1972; Pace Gallery, New York, 1972.

"It would seem to me that what the young black painter has that is unique is that he has experiences and a way of looking at them that is unique."¹ Romare Bearden's life is a justification of that statement. Recognized since the forties as one of America's leading abstractionists, he had begun his career in the early thirties. "...Bearden's artistry is not the black content of his work, which is often laden with Neo-African symbols, instead it is his ability to express in a catholic sense those humanizing characteristics of blackness that are synonymous with universal man."² Bearden uses elements like photographs and fragments of paper that seem both related and unrelated to the painting; these ready-made materials are all incor-

BOARD OF DIRECTORS

Bert Stull, Chairman
Clark Jordan
Lloyd Coleman
James Parks
Laurie Britt
Margaret Burroughs
Robert Simon
Henry De Pillars
Lloyd Brown
Gray Ward
K. Madhubuti

Executive Board

Cliff Bing Davis, President
Onye Lockard, 1st V. President
Coleman Henderson, 2nd V. President
Barbara Hudson, 3rd V. President
Akua Sharif-McDaniel, Ex. Secretary
Loretta Ballard, Fin. Secretary
Lilah W. Pierce, Treasurer
Dorothy Mathews, Recording Secretary
Angeline J. Montgomery, Coordinator of Regions
Linda Fakeye Burns, Director of Youth Programs
Robert Smith, Public Relations Director
John Pori-Pitts, Parliamentarian
Parker, Sergeant-at-Arms
Arlene Claye, Ex. Dir. Art Services Division

President:
Cliff Bing Davis
1000 Broad Street
Columbus, Ohio 35484

Ex. Secretary:
M. Akua Sharif-McDaniel
P.O. Box 53435
Chicago, Ill. 60653

Fin. Sec./Membership:
E. Loretta Ballard
4405 17th St., N.W.
Washington, D.C. 20011

ROMARE BEARDEN

Page 2

porated into a freely painted matrix which at times obscures and then reveals them. The effect is no more chaotic, meaningful, or meaningless than the welter of sights, sounds, debris, and movement that attacks the senses as one travels through the streets of a large city. Probably one of the unique aspects of Bearden's art is the sense of unity he achieves despite the seemingly haphazard, sometimes whimsical, accumulation of juxtaposed objects.

¹ Elton Fax, *Seventeen Black Artists* (New York: Dodd, Mead, 1971), p. 145.



The following information was taken from the catalogue "Two Centuries of Black American Art" by David C. Driskell.

HALE WOODRUFF
b. 1900

Painter, printmaker, muralist, educator. Born in Cairo, Illinois. Studied at the John Herron Art Institute, Indianapolis; Fogg Art Museum, Harvard University, Cambridge; Academie Scandinave, Paris; Academie Moderne, Paris. Studied with Tanner in Paris, ca. 1931, and studied fresco painting in Mexico with Diego Rivera in 1936.

Major Exhibitions: John Herron Art Institute, 1923-24, 1926; Art Institute of Chicago, 1927; Harmon Foundation, New York, 1928-29, 1931, 1933, 1935; Downtown Gallery, New York, 1929, 1931; Pacquereau Gallery, Paris, 1930; Valentine Gallery, New York, 1931; Feragil Gallery, New York, 1931; The High Museum of Art, Atlanta, 1935, 1938; Texas Centennial Exposition, Museum of Fine Arts, Dallas, 1936; The Baltimore Museum of Art, 1939; New York World's Fair, 1939-40; American Negro Exposition, Chicago, 1940; Grace Horne Galleries, Boston, 1944; Whitney Museum of American Art, New York, 1967; Los Angeles County Museum of Art, 1967; San Diego Art Museum, 1967; Museum of Fine Arts, Boston, 1967; Howard University Gallery of Art, Washington, D. C., 1967; New York University, 1967.

Hale Woodruff's attitude toward his work is direct and pragmatic; he does not veil his methods or motives. In the thirties and forties he painted traditional forms such as flowers and fruits as well as landscapes that reflected the inspiration he found in the quiet streets of southern towns. In the fifties he began experimenting with brush drawings that were free interpretations of figures: he magnified the brushstrokes into enormous, abstract images that filled his canvases. In Woodruff's paintings contours are opened to allow flesh and environment to flow into one another, and anatomical forms are fragmented. Line is permitted to function independently of form; its normal role of describing contours is minimized in the interest of an all-over rhythm of swiftly executed dramatic movement.

BOARD OF DIRECTORS

Robert Stull, Chairman
Clark Jordan
Roy Colemar
James Parks
Arthur Britt
Margaret Burroughs
Wesley Simon
Harry De Pillars
Henry Brown
Clayton Gray Ward
Aki Madhubuti

Executive Board

Willis Bing Davis, President
John Onye Lockard, 1st V. President
Coleman Henderson, 2nd V. President
Barbara Hudson, 3rd V. President
M. Akua Sharif-McDaniel, Ex. Secretary
Loretta Ballard, Fin. Secretary
Lilah W. Pierce, Treasurer
Grace Mathews, Recording Secretary
Angeline J. Montgomery, Coordinator of Regions
Linda Fakeye Burns, Director of Youth Programs
Wright Smith, Public Relations Director
Ibn Pori-Pitts, Parliamentarian
Parker, Sergeant-at-Arms
Marlene Claye, Ex. Dir. Art Services Division

President:
Willis Bing Davis
100 N. Broad Street
Cincinnati, Ohio 45244

Ex. Secretary:
M. Akua Sharif-McDaniel
P.O. Box 53435
Chicago, Ill. 60653

Fin. Sec./Membership:
E. Loretta Ballard
4405 - 17th St., N.W.
Washington, D.C. 20011

2:30 PM

THE WHITE HOUSE

WASHINGTON

April 2, 1980

MEMORANDUM TO: THE PRESIDENT AND MRS. CARTER
FROM: GRETCHEN POSTON - *Gp. nly*
SUBJECT: SCENARIO FOR RECEPTION HONORING
NATIONAL CONFERENCE OF ARTISTS,
April 2, 1980, 2:15 PM.

2:00 PM Guests arriving by bus enter Southeast Gate and proceed to State Floor via Diplomatic Reception Room.

 Guests arriving by private car enter Southwest Gate and proceed to State Floor via Diplomatic Reception Room.

 Special guests, Robert Stull, chairman of the Board of Directors of the Conference, and Willis Bing Davis, President of the Conference, proceed to Blue Room on arrival.

 Artists and spouses arrive Northwest Gate by private car and proceed to Blue Room via North Portico.

2:20 PM MRS. CARTER, Mrs. Mondale and Livingston Biddle arrive State Floor and proceed to Blue Room to greet artists and spouses.

 Artists are escorted to positions on platform - spouses escorted to reserved seating.

 Mr. Biddle is escorted to reserved seat.

 Mrs. Mondale is escorted to reserved seat.

2:30 PM THE PRESIDENT arrives State Floor and proceeds to Blue Room door to meet MRS. CARTER.

 THE PRESIDENT AND MRS. CARTER are announced into East Room.

 MRS. CARTER is escorted to reserved seat.

 THE PRESIDENT proceeds to platform for remarks.

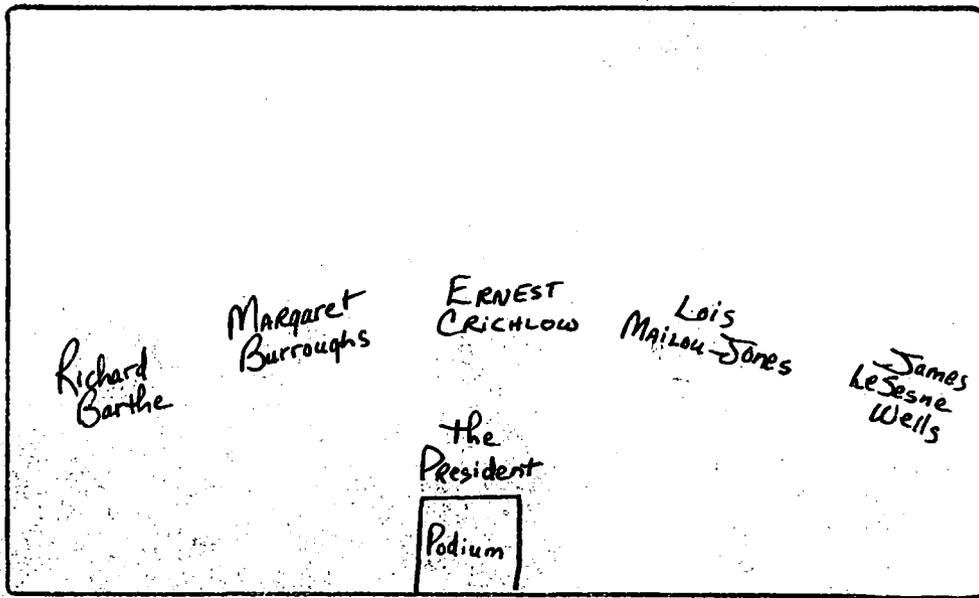
2:45 PM

Guests are invited to State Dining Room for reception.

THE PRESIDENT departs State Floor.

MRS. CARTER: If desired you and Mrs. Mondale would proceed to position under seal for receiving line.

APPROVE _____ DISAPPROVE _____



[No salutation. Karen Zuniga
x6662 will update by 10:30 AM
Wed. which of the 10 artists to
be honored will attend. One,
Charles White, is deceased.]

Achsah Nesmith
A-1 3/31/80
Scheduled Delivery:
Wed, 4/2/80, 2:30 PM

National Conference of Artists

One of the great privileges of being President is to be
able to live with notable art works in this historic house.

~~Rosalynn and I grew up in a very small town where concerts and
original art were things we usually experienced only secondhand.~~

~~Music and art have been very important to us throughout our
marriage, but we have been able to experience both of them in
a new dimension here in the White House.~~

Another of the special privileges of being President is
the opportunity to have outstanding Americans here to visit and
to have a part in honoring their achievements and contributions.
~~We have such an opportunity today, and I am grateful and glad
you could come.~~

A third privilege has been to work with the National
Endowment for the Arts in broadening the base of support

for artistic endeavors. This Administration has significantly increased the Endowment's budget, ~~enabling it to provide \$84 million in challenge grants to 281 arts institutions, both large and small, in 41 states, and to encourage new and increased sources of local support.~~ We have also expanded the fellowship program for individual artists, and for the first time last year Livingston Biddle established an office of minority concerns within the Endowment.

The relationship between government and the arts must necessarily be a delicate one. Government should not try to define what is good or true or beautiful. Government should nourish the ground on which art and the love of art can grow.

This nourishment has also been the work of the National Conference of Artists from the time it was founded at Atlanta University in 1958, at the suggestion of one of the artists and educators we are honoring today, Margaret Burroughs.

~~Since then, regional, state and local chapters have grown~~
up throughout the United States, Canada and Mexico. They
serve artists, educators, art administrators and institutions
~~by developing and making known the creative expressions of~~
~~African-American artists.~~ The Conference has ~~also~~ served
make known works of African-American artists and to
to preserve and continue African cultural traditions here
in America and throughout the world.

All artists speak from a special time and place, from
personal inner experience and -- at their best -- from a broader
vision that transcends these and enlarges human understanding.

The artists we are honoring here today all were part of
the special story of black Americans in this century. Half of
them were born in the South. Some of them were formed by the
cultural life of Harlem and Chicago at particularly creative
times. Many were ~~part of the social protests of the 1930s~~
~~and '40s~~, bringing ~~ing~~ the pain and vitality and joy of the black

experience to their work. ~~Many found opportunities in the WPA artists' projects during the Depression.~~

Their styles and materials are as varied as the history covered by the years of their work. Some stood at the forefront of emerging styles, others renewed old forms to express their vision of black America and the human condition.

Several have made a name for themselves as teachers as well as artists, leading the way for new generations. All have practiced their art through the moving and often wrenching decades when black Americans struggled for freedom, ~~and~~ opportunity, endured the difficult years of the Great Depression, the dangerous years of World War II, the hopeful years of the ~~Civil Rights Movement, and onwards still today.~~

Many of these artists were expressing their protest with their paintings, sculpture, murals and illustrations long before the protest hit the streets, long before the ~~injustices they~~ *There was*

~~felt were the subject of~~ political and judicial action.

These artists ~~struggled not only to realize their talent~~
~~as creators, but their rights as citizens.~~ They fought not
~~only for individual achievement, but for recognition for their~~
~~fellow artists.~~ Often ~~they~~ did not receive the recognition
they deserved or the opportunities they needed to practice
their art under optimal conditions, but they pressed on.
That they are here today is proof that they have won.

~~These men and women we honor today remind us that art is~~
~~mankind's answer to the pain and chaos around us, that beauty~~
~~and order and meaning and strength exist despite ignorance,~~
~~misunderstanding and even persecution.~~

So their victory is a double one -- in art and in life.
It is thus a double victory for all Americans. And on behalf
of us all, I am proud to welcome and honor you today:

THE WHITE HOUSE
WASHINGTON

4/1/80

sc

speech to national conference of
artists - page 6, 1st graph.

delete "is not eligible for
social security himself; is
living in poverty."

louis martin's ofc. called
rick - did not think it should
be in.

sb

1. { THE RELATIONSHIP BETWEEN GOVERNMENT & THE ARTS ↘
2. { MUST NECESSARILY BE A DELICATE ONE.
3. GOVERNMENT SHOULD NOT TRY TO DEFINE WHAT IS GOOD OR TRUE OR BEAUTIFUL.
4. GOVERNMENT SHOULD NOURISH THE GROUND ON WHICH ART AND THE LOVE OF ART ↘
CAN GROW.
5. { THIS NOURISHMENT HAS ALSO BEEN THE WORK OF THE NATIONAL CONFERENCE OF ARTISTS ↘
6. { FROM THE TIME IT WAS FOUNDED AT ATLANTA UNIVERSITY IN 1958, ↘
7. { AT THE SUGGESTION OF ONE OF THE ARTISTS & EDUCATORS WE ARE HONORING TODAY --
MARGARET BURROUGHS. /
8. { THE CONFERENCE HAS SERVED TO MAKE KNOWN WORKS OF AFRICAN-AMERICAN ARTISTS ↘
9. { AND TO PRESERVE & AND CONTINUE AFRICAN CULTURAL TRADITIONS ↘
HERE IN AMERICA & THROUGHOUT THE WORLD.

>>>

10. { ALL ARTISTS SPEAK FROM A SPECIAL TIME & PLACE,
11. { FROM PERSONAL INNER EXPERIENCE,
12. { AND -- AT THEIR BEST -- FROM A BROADER VISION ↘
13. { THAT TRANSCENDS THESE & ENLARGES HUMAN UNDERSTANDING.

(INSERT) -1

1. { GALLERIES THROUGHOUT THE WASHINGTON AREA ↘
2. { ARE CURRENTLY FEATURING BLACK ARTISTS, ↘
3. { AND THE CORCORAN IS EXHIBITING WORKS THIS WEEK ↘
4. { OF EACH OF THE 10 ARTISTS BEING HONORED TODAY.
5. MAYOR/MARION BARRY HAS PROCLAIMED THIS AFRICAN-AMERICAN VISUAL ARTISTS WEEK.
6. { THIS PROVIDES A WONDERFUL OPPORTUNITY, AS WE BEGIN A NEW DECADE, ↘
7. { FOR ALL AMERICANS TO SEE SOME OF THE FINE WORK WHICH IN THE PAST ↘
8. { HAS OFTEN NOT RECEIVED THE DESERVED RECOGNITION.

1. { THE ARTISTS WE ARE HONORING HERE TODAY } ✓
2. { ALL WERE PART OF THE SPECIAL STORY OF BLACK AMERICANS IN THIS CENTURY. }
3. HALF OF THEM WERE BORN IN THE SOUTH.
4. SOME OF THEM WERE FORMED BY THE CULTURAL LIFE OF HARLEM & CHICAGO ✓
5. MANY BRING THE PAIN & VITALITY & JOY OF THE BLACK EXPERIENCE IN THEIR WORK. ✓
AT PARTICULARLY CREATIVE TIMES. ✓
TRAGIC → TRIUMPHANT
6. { THEIR STYLES & MATERIALS ARE AS VARIED } ✓
7. { AS THE HISTORY COVERED BY THE YEARS OF THEIR WORK. }
8. { SOME STOOD AT THE FOREFRONT OF EMERGING STYLES, }
9. { OTHERS RENEWED OLD FORMS TO EXPRESS THEIR VISION } ✓
OF BLACK AMERICA & THE HUMAN CONDITION. //
10. { SEVERAL HAVE MADE A NAME FOR THEMSELVES } ✓
11. { AS TEACHERS AS WELL AS ARTISTS, } ✓
12. LEADING THE WAY FOR NEW GENERATIONS. /
13. { ALL HAVE PRACTICED THEIR ART } ✓
14. { THROUGH THE MOVING & OFTEN WRENCHING DECADES } ✓
15. { WHEN BLACK AMERICANS STRUGGLED FOR FREEDOM. } ✓

1. MANY OF THESE ARTISTS WERE EXPRESSING THEIR PROTEST ↗
2. WITH THEIR PAINTINGS, SCULPTURE, MORALS & ILLUSTRATIONS ↗
3. LONG BEFORE THE PROTEST HIT THE STREETS, ↗
4. LONG BEFORE THERE WAS POLITICAL & JUDICIAL ACTION.

5. THESE ARTISTS OFTEN DID NOT RECEIVE THE RECOGNITION THEY DESERVED ↗
6. OR THE OPPORTUNITIES THEY NEEDED ↗
7. TO PRACTICE THEIR ART UNDER OPTIMAL CONDITIONS, ↗
8. BUT THEY PRESSED ON.
9. THAT THEY ARE HERE TODAY IS PROOF THAT THEY HAVE WON.

10. SO THEIR VICTORY IS A DOUBLE ONE -- IN ART & IN LIFE.
11. IT IS THUS A DOUBLE VICTORY FOR ALL AMERICANS.
12. AND ON BEHALF OF US ALL, I AM PROUD TO WELCOME & HONOR YOU TODAY:

1. *RICHMOND "BAR-TAY", SCULPTOR. * (RICHMOND BARTHE'--Present)
SCULPTED THE EAGLE ON THE FRONT OF THE SOCIAL SECURITY BUILDING.
BORN 1901 IN BAY ST. LOUIS, MISSISSIPPI.
CURRENTLY LIVES IN PASADENA, CALIFORNIA.
2. "ROW-MARE" BEARDEN, PAINTER. * (Romare Bearden-Not Present
Not Represented)
RECOGNIZED SINCE THE 1940s AS A LEADING ABSTRACTIONIST.
BORN 1912 IN CHARLOTTE, NORTH CAROLINA.
CURRENTLY LIVES IN NEW YORK CITY.
3. *MARGARET T. BURROUGHS, PAINTER, SCULPTOR, WRITER, EDUCATOR. * (Present)
ONE OF THE FOUNDERS OF THE NATIONAL CONFERENCE OF ARTISTS
AT ATLANTA UNIVERSITY AS WELL AS THE DUSABLE MUSEUM IN CHICAGO.
BORN IN 1917 IN ST. ROSE PARISH, LOUISIANA.
CURRENTLY LIVES IN CHICAGO.
4. *ERNEST CRICHLow, PAINTER ILLUSTRATOR, GRAPHIC ARTIST. * (Present)
FOUNDER OF THE CINQUE GALLERY IN NEW YORK.
BORN 1914 IN NEW YORK CITY.
CURRENTLY LIVES IN BROOKLYN, NEW YORK.

1. *LOIS "MAY-LOO" JONES, PAINTER, DESIGNER, ILLUSTRATOR, EDUCATOR. (Present)
HAS MIXED HAITIAN EMPHASIS WITH THE BLACK EXPERIENCE.
AS A BLACK WOMAN, HAS OVERCOME MANY BARRIERS.
PROFESSOR EMERITUS AT HOWARD UNIVERSITY (Lois Mailou Jones)
BORN 1905 IN BOSTON, MASSACHUSETTS
CURRENTLY LIVES IN WASHINGTON, D.C.

2. JACOB LAWRENCE, PAINTER (Neither Present
Nor Represented)
HIS PAINTINGS HIGHLIGHT THE TOIL & BUILDING OF BLACK AMERICA.
MEMBER OF COUNCIL OF NATIONAL ENDOWMENT FOR THE ARTS.
BORN 1917 IN ATLANTIC CITY, NEW JERSEY.
CURRENTLY LIVES IN SEATTLE, WASHINGTON.

3. +ARCHIBALD J. MOTLEY, JR., PAINTER. (Not Present
But is Represented)
HAS PRESERVED FOR AMERICA THE REALISM
OF WHAT BLACK AMERICA WAS IN THE TIME OF RACIAL ISOLATION.
BORN 1891 IN NEW ORLEANS, LOUISIANA.
CURRENTLY LIVES IN CHICAGO, ILLINOIS
REPRESENTED BY SON, ARCHIE MOTLEY.

1. *JAMES "LE-SEEN" WELLS, PAINTER, PRINTMAKER, EDUCATOR. (Present)
REFERRED TO AS THE "DEAN OF PRINTMAKERS". (James Lesene Wells)
BORN 1901 IN ATLANTA, GEORGIA
CURRENTLY LIVES & WORKS IN WASHINGTON, D.C.

2. +CHARLES WHITE (DECEASED), PAINTER, GRAPHIC ARTIST, EDUCATOR. (Is Represented)
HIS REMARKABLE CONTRIBUTION TO THE VISUAL CULTURE
IS NOW DEEPLY PART OF AMERICAN ART.
BORN 1918; DIED OCTOBER 1979 IN CHICAGO.
LIVED IN LOS ANGELES, CALIFORNIA.
REPRESENTED BY HIS WIDOW, MRS. FRANCES WHITE
AND HIS CHILDREN JESSICA & CHARLES IAN WHITE.

3. +HALE WOODRUFF, PAINTER, PRINTMAKER, MURALIST, EDUCATOR.
RECOGNIZED FOR THE RANGE OF HIS TALENT TO PAINT ANYTHING & ANYBODY.
BORN 1900 IN CAIRO, ILLINOIS
CURRENTLY LIVES IN NEW YORK CITY.
REPRESENTED BY NEPHEW, DR. RAY BENNETT. (Not Present
But is Represented)

#

8:00 AM

(1)

THE WHITE HOUSE

WASHINGTON

April 1, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: ALFRED E. KAHN

Fred

SUBJECT: Agenda for the Inflation Breakfast, April 2

The only specific subject that your economic advisers have to suggest is the possible expanded use of sanctions against violators of the price standard.

I attach a memo outlining some specific possibilities. I have a sense that the details are rather trivial, and worth no more than a very quick scrutiny. We do have to decide at least the general question, however, of whether we should or should not expand our recourse to sanctions.

In thinking about this, please consider the cautionary message in the introductory paragraphs of the memo: a decision to be much tougher in the application of sanctions raises uncertainties about our ability to count on the support of the business community for the voluntary program.

Attachment

THE WHITE HOUSE

WASHINGTON

April 1, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: ALFRED E. KAHN

Fred

SUBJECT: Use of Sanctions Against Violators of the Price Standards

Your economic advisers have been discussing possible sanctions for use against violators of the price standard. They are developing three approaches: (1) the increased use of publicity, (2) the procurement sanction, and (3) the use of selective discretionary powers. I discuss the first two of these in this memorandum; we have not as yet analyzed the third sufficiently to bring it to you.

Before discussing these options, I want to inform you of some developments associated with the Pay Advisory Committee that are relevant to the advisability of an intensified use of sanctions. Some of the business members have become quite upset at what they perceive as a lack of evenhandedness in the Administration's dealings with organized labor on the one hand and business on the other. They observe that the tripartite Pay Committee itself arose out of the accord with labor, and they think the Administration consults much more with the labor side than with them.

In addition to these general complaints, these people have specific complaints about two recent policy decisions: (1) the decision not to relax the price standard commensurately with the relaxation of the pay standard and (2) the agreement with labor not to use sanctions against violators of the pay standard, while we have been unwilling symmetrically to eschew sanctions against violators of the price standard. Two of the business members at one time explicitly declared an intention to walk off the Committee if these perceived inequities are not corrected.

Recently the Vice President and some of your advisers met with all six business members of the Committee and succeeded in mollifying them. One of the two who had previously intended to resign retracted that decision, explicitly recognizing that if we were to announce that we are not going to use sanctions against price violators, the program would be virtually destroyed.

1. Increased use of publicity. In the past, violators have been publicly identified by CWPS by means of a press release that occasionally included a quotable statement from me. No other Administration spokesman has publicly excoriated violators until you referred to Mobil's noncompliance last week.

All of us agree that it would be desirable to increase the number of persons blasting violators and to raise the volume of the rhetoric. We recommend that you raise this matter at a Cabinet meeting, urging high Administration officials to be aware of the list of noncompliers and, where it seems pertinent to their particular responsibilities, to make use of that information in public statements. For that purpose, CWPS is putting together a one-page fact sheet on each price violator, with the name and address of the company, a list of known subsidiaries, and an identification of the major products it produces. CWPS could also prepare talking points, and would undertake to circulate an updated list of noncompliers throughout the Administration on a regular basis.

2. Increased use of the procurement sanction. OFPP Policy Letter 78-6 currently provides that companies (or parts of companies) listed by CWPS are ineligible for prime contract or first-tier subcontract awards over \$5 million. Contractors and first-tier subcontractors are required to certify their compliance with the standards as a condition of receiving any such award. This certification requirement and ineligibility for awards may be waived by the agency head under certain circumstances, principally involving national security considerations.

On the nine companies that CWPS has found out of compliance with the price standards, only Mobil has contracts over \$5 million. One other (National Gypsum, one of the largest manufacturers of building materials) has two contracts for more than \$1 million. No company has been denied a contract for refusal to certify or because of ineligibility. Moreover, DOD last week granted Mobil Oil a waiver of certification for two awards; and Amerada Hess got a waiver of ineligibility for one award during the brief time that firm was listed last year.

There are three ways in which the procurement sanctions might be strengthened:

a. Lower the threshold to \$1 million or below.

PRO: This would extend the sanction to many more companies.

CON: It probably would not affect waivers in high-dollar national security actions. If this action creates a public

perception that "we're only going after the little guys," it might be injurious.

We might look a little foolish lowering the threshold when we had not actually denied any company a contract for 17 months under the present standards. OMB objects to the reduction for this reason, and because it will mean additional work for them.

Lowering the threshold below \$1 million, or doing away with it altogether, would create a great administrative burden and further exacerbate the danger that we would be perceived as going after small business.

b. Raise the level of approval authority for waivers. At present, waivers must be approved by the agency head, which generally means someone at the Cabinet level. In Defense, however, where all the waivers so far have been granted, "Agency Head" by statute means the Secretaries of the Military Departments or the Director of the Defense Logistics Agency. The level of approval could be raised by requiring (1) that the authority not be delegated in the civilian agencies, (2) that in the military it would have to have the concurrence of the Secretary of Defense, and (3) that CWPS be given 10 days notice of an intent to waive, so that its Chairman would have a chance to evaluate and protest.

PRO: Raising the level for approval of waivers would prevent their being granted routinely.

CON: Assuming that there is a legitimate "essential national security" or "sole source" justification, there is not much likelihood that awards would ultimately be denied.

c. Declare the entire company, rather than only the non-compliant compliance unit, ineligible for government contracts. CWPS allows companies to disaggregate for compliance purposes, and lists only the unit that is out of compliance. OFPP has followed the CWPS designation, with the result that, for example, even though Ford Motor Company is out of compliance with the pay standard, sanctions cannot be used against Ford Aerospace, which has \$337.5 million worth of Federal contracts, because it is a separate compliance unit.

PRO: Declaring the entire company ineligible would expand the coverage of the program.

CON: Companies that disaggregated for compliance purposes, in order to avoid this hazard, might well insist on being permitted to reorganize before the effective date of the expanded coverage; this demand, if granted, could impose heavy burdens on CWPS. (Of course, the demand might deserve to be rejected.)

Amending the OFPP regulations to lower the threshold, raise the level of approval for waivers, and/or redefine the noncomplying entity would require 30 days notice to Congress in accordance with the OFPP statute, unless you advise Congress that an emergency exists that requires its waiver.

sk (OFPP recommends against the lowering of the threshold until such time as we can show some success at the \$5 million level, but recommends that the level of approval of waivers be raised; CWPS recommends that the entire company be declared ineligible for government contracts and that companies not be permitted to reorganize. The expanded coverage would apply only to future violators.

As I suggested at the beginning of this memorandum, you may want to consider the possible use of other sanctions, such as the denial of various grants administered by the several Departments, where they have the discretion to do so. If this appears worth considering, we would undertake to provide you with an extended list of possibilities.

CQ

CONGRESSIONAL QUARTERLY
Weekly Report

Vol. 38, No. 13

Pages 841-888

March 29, 1980



**Taxing
Big Oil**

(843)

Budget-Balancing

(844)

Economics Issue

(857)

Electrostatic Copy Made
for Preservation Purposes

9:30 AM

THE WHITE HOUSE

WASHINGTON

March 31, 1980

SIGNING OF THE WINDFALL PROFITS TAX BILL

Wednesday, April 2, 1980
9:30 a.m.
East Room

From: Anne Wexler *AW*
Frank Moore *F.M.*

I. PURPOSE

To sign the Windfall Profits Tax legislation (H.R. 3919).

II. PARTICIPANTS, AND PRESS PLAN

A. Participants: Secretaries Miller, Goldschmidt, Marshall; Deputy Secretary Sawhill; fifty representatives of the major labor unions; state and local elected officials, civil rights groups; business, and organizations representing the elderly, transit, minorities and women. All the members of the National Citizens Coalition for the Windfall Profits Tax have been invited. Frank Moore's office will inform you of Congressional participants Tuesday afternoon.

B. Press Plan: Your remarks will be covered by the full White House press pool.

III. AGENDA

The ceremony will consist of your remarks and the signing of the legislation, followed by comments from Secretary Miller. Depending on which Members attend, you may also want to recognize them.

IV. TALKING POINTS

Talking points have been prepared by the speechwriters and the Domestic Policy Staff and will be sent under separate cover.

THE WHITE HOUSE

WASHINGTON

April 1, 1980

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *F.M./pd*

The following Members of Congress will be attending tomorrow's signing ceremony on Windfall Profits:

Senate

Majority Leader Byrd
Senator Long
Senator Talmadge
Senator Nelson
Senator Matsunaga
Senator Moynihan
Senator Bradley
Senator Packwood
Senator Roth
Senator Chafee
Senator Heinz

House

Bill Brodhead
Jim Corman
Tom Downey
Joe Fisher
Harold Ford
Bill Frenzel
Sam Gibbons
Frank Guarini
Henson Moore
Jim Shannon
Fortney Stark
Al Ullman

I recommend that you call upon the following for remarks:

Robert Byrd
Russell Long
Al Ullman

Barber Conable will not be in attendance but should be acknowledged as a Republican who stayed with us on the bill.

OMB ENROLLED
BILL MEMO



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

MAR 31 1980

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 3919 - Crude Oil Windfall
Profits Tax of 1980
Sponsor - Rep. Ullman (D) Oregon

Last Day for Action

April 9, 1980 - Wednesday

Purpose

(1) Imposes a tax on domestically produced crude oil estimated to result in revenues of \$227.3 billion between fiscal years 1980 and 1990; (2) allocates these revenues among various potential uses; and (3) makes other non-energy tax law changes.

Agency Recommendations

Office of Management and Budget	Approval
Council of Economic Advisers	Approval
Department of Transportation	Approval
Department of the Treasury	Approval (Informal)
Department of Energy	Approval (Informal)
Department of the Interior	Approval (Informal)
Community Services Administration	Approval (Informal)
Department of Justice	No objection
Department of Commerce	No objection (Informal)
Department of Agriculture	No objection (Informal)
Environmental Protection Agency	No objection (Informal)
Council on Environmental Quality	No comment (Informal)
Department of Health, Education, and Welfare	No comment (Informal)
Council on Wage and Price Stability	No comment (Informal)

(Note: In addition to H.R. 3919, another bill, H.R. 2797, "Technical Amendments to the Revenue Act of 1978," is awaiting your signature. For technical reasons having to do with both bills amending the same part of the tax code, Treasury advises that H.R. 2797 should be signed before H.R. 3919.)

Discussion

H.R. 3919 is the end result of congressional action on your proposal to impose a windfall profits tax on increased

producer revenues resulting from the decontrol of crude oil. As originally proposed, this tax would have raised net revenues of approximately \$290 billion during fiscal years 1980-1990, which you proposed to be used for energy investments, low-income and mass transit assistance, and deficit reduction. As enrolled, it is estimated that H.R. 3919 will result in the collection of \$227.3 billion in net revenues during 1980-1990. Actual receipts, however, could be higher or lower than the amounts estimated depending on domestic crude oil production levels and world oil prices.

A comparison of the revenue allocations contained in H.R. 3919 to proposed Administration usage of these funds is shown below:

Proposed Allocation of Windfall Profits Tax
(\$ Billions)

	<u>Enrolled Bill</u>		<u>Administration's Proposed Usage</u>
	<u>Percent</u>	<u>Amount</u>	<u>Amount</u>
Income Tax Reduction	60	\$136.4	None
Low-Income Assistance	25	56.8	24.0
Energy and Transportation	15	34.1	126.0
Deficit Reduction	0	0	77.3
Total	100%	\$227.3	\$227.3

While these are allocations to Treasury accounts for accounting purposes and reflect current congressional intent, the President may propose the disposition of these revenues in future fiscal years, and appropriations by Congress will be required before expenditures can be made. For fiscal year 1981, the Department of the Treasury estimates net revenues of \$14.4 billion. In this same fiscal year, your Budget proposes to spend \$2.5 billion of this amount.

The entire tax is to be phased out over a 33-month period beginning after December 31, 1987, or when cumulative revenues raised by the tax reach \$227.3 billion. An estimate by the Department of the Treasury of the revenue effects of H.R. 3919 for fiscal years 1980-1985 is attached. The revenue estimates in the remainder of this memorandum for fiscal years 1980-1990 were made by the Congressional Joint Committee on Taxation.

Summary of Major Provisions

The windfall tax will be levied differently depending on the type of oil, the date the well was first tapped, the method of production, and the producer. The amount of the tax on a barrel of oil is the product of (1) a tax rate and (2) the sale price of the oil over an established "base price." Since the tax is an excise tax, it is deductible from income for income tax purposes; hence, the actual net tax is roughly one-half the gross tax. Some examples of the varying effects of the tax follow:

- For Tier 1 oil, the tax rate is 70 percent and the average base price is \$12.81. The net tax under Administration oil price assumptions will be approximately 23 percent of the oil price. The first 1,000 barrels per day of production by independent producers is taxed at a 50 percent rate instead of 70 percent. Tier 1 oil includes "old oil" produced from pre-1979 fields which was sold for \$7 a barrel under price controls;
- For Tier 2 oil, the tax rate is 60 percent and the average base price is \$15.30. The net tax under Administration assumptions will be approximately 18 percent of the price. The first 1,000 barrels per day of production by independent producers is taxed at a 30 percent rate instead of 60 percent. Tier 2 oil includes stripper well oil and oil from the Naval Petroleum Reserves;
- For Tier 3 oil, the tax rate is 30 percent and the average base price is \$16.55. The net tax under Administration assumptions will be approximately 7 percent of the oil price. Tier 3 includes newly discovered oil (after June 1979) which sold for \$19 a barrel under price controls; and
- Several categories of oil are exempt from tax, including: oil held by Indian tribes; new Alaskan oil produced north of the Alaska-Aleutian Mountains and more than 75 miles from the Trans-Alaska Pipeline; oil production of state and local government used for public purposes; and oil produced from properties owned by certain medical and educational charities.

In addition to imposing the windfall tax, the major parts of H.R. 3919 provide for (1) expanding existing tax credits to encourage the use of residential solar energy; (2) tax incentives for business to encourage the production of alternative energy resources; (3) aid to low-income persons; (4) certain income tax law changes; and (5) a restriction on Presidential ability to control oil imports.

Tax Credits for Residential Energy. The existing investment tax credit for solar energy equipment is increased from a maximum of 22 percent to 40 percent (\$2,200 to \$4,000) for owners of a principal residence. In addition, standards are specified under which the Secretary of the Treasury can exercise existing authority to designate additional items as eligible for home insulation and solar energy tax credits. Finally, the bill prohibits an individual from obtaining both tax credits and subsidized energy loans or nontaxable energy grants. The estimated cost to the Treasury of this additional tax credit is \$600 million during fiscal years 1980-1990.

Tax Incentives for Business. The estimated cost to the Treasury of these incentives during fiscal years 1980 to 1990 is \$8.3 billion, or \$5.4 billion higher than your proposal. The principal incentives are:

- an 11-percent energy credit for small scale hydro-electric equipment;
- a 10-percent energy credit for cogeneration equipment not fueled by oil or gas;
- an increase from 10 percent to 15 percent and extension through 1985 for the energy investment tax credits for solar, wind, and geothermal equipment, as well as extension of the solar credit to equipment used to provide process heat;
- a 15-percent energy credit for certain equipment at a limited number of ocean thermal energy conversion sites;
- a \$3 tax credit per barrel for the production of equivalent alternative fuels, e.g., oil produced from oil shale and tar sands;

- an extension through December 31, 1992, of the current exemption for gasohol from the 4-cent-per-gallon Federal excise tax on motor fuels; and
- an expansion of the types of facilities, e.g., alcohol from solid waste, which can be financed by industrial revenue bonds, thereby increasing the amount of interest that will be exempt from Federal taxation.

Low-Income Energy Assistance. Of the \$56.8 billion that is allocated for low income assistance during fiscal years 1980-1990, \$3.115 billion is authorized to be appropriated in fiscal year 1981. In the original 1981 Budget, the Administration had requested \$2.4 billion for low-income energy assistance. As part of the recent budget reductions, this request was reduced to \$2.2 billion.

Under H.R. 3919, funds are to be provided to the States by the Secretary of Health, Education, and Welfare (HEW) by formula allocation. If actual appropriations are less than the authorization, States' allocations would be reduced on a pro rata basis.

Out of their allocations, the States would provide assistance to households that receive food stamps, aid to families with dependent children (AFDC), income-tested veterans' pensions, or supplemental security income (SSI) (with certain exceptions), or that have incomes less than the "lower living standard" established by the Bureau of Labor Statistics. States are not required to provide assistance to all eligible households. States may, at their option, have the Secretary of HEW retain a portion of their allocation in order to make direct Federal payments to SSI recipients.

Income Tax Changes. The major non-energy tax law changes made by H.R. 3919 concern (1) more lenient tax treatment of inherited estates, generally referred to as "repeal of carryover basis;" (2) the tax treatment of certain business inventories; and (3) exclusion from taxation of up to \$200 in dividends and \$200 in interest received by an individual for calendar years 1981 and 1982, at an estimated cost to the Treasury of \$4.3 billion. The estimated cost of all of these changes during fiscal years 1980 to 1990 is \$7.9 billion. A further discussion of the first two of these changes follows.

The Administration has opposed the "repeal of carryover basis" provision on the grounds that it would create an egregious income tax loophole with revenue losses estimated at \$3.4 billion through fiscal year 1990. Under existing law, whose effect had earlier been deferred, persons who inherit property are required to pay capital gains taxes on the difference between the original purchase price of assets and the assets' price when it is sold by an heir. In contrast, H.R. 3919 will require payment of a capital gains tax only on the difference between the value of the property when it is inherited and when it is sold. Treasury believes that this change will eliminate one of the most important features of the 1976 Tax Reform Act.

With respect to the change in tax treatment of certain business inventories, businesses currently strive to ensure that end-of-tax-year inventories are not less than beginning-of-tax-year inventories. Otherwise, an "inventory profits" tax is imposed under existing law. H.R. 3919 provides that taxpayers experiencing a reduction in inventories due to (1) certain Department of Energy energy supply regulations or (2) major foreign trade interruptions, e.g., an embargo, may claim a refund of taxes paid on "inventory profits" if inventories are replenished within a specified period. In addition, H.R. 3919 also closes a major loophole which currently allows certain corporations to obtain what is in effect a permanent tax exclusion by indefinitely deferring taxation on inventories. Treasury believes this change is a major corporation tax reform that could have a significant revenue effect, i.e., generate revenues estimated at \$2.1 billion during fiscal years 1982-1990.

Oil Import Restrictions. Finally, H.R. 3919 provides that a decision by the President to impose oil import quotas shall "... cease to have force and effect ..." if disapproved by a joint resolution of Congress. A joint resolution may, of course, be vetoed by the President, in which case, the veto would have to be overridden by a two-thirds vote in each House before congressional disapproval of the decision would have legal force.

Agency Comments

All reviewing agencies are in favor of, or have no objection to, approval of H.R. 3919. I join in strongly recommending approval.

H.R. 3919 originally passed the House by voice vote and the Senate by 74-24. The conference report was agreed to by votes of 302-107 and 66-31, respectively, in the House and Senate.

We understand that the Domestic Policy Staff is coordinating the preparation of an appropriate signing statement with the Departments of Energy and the Treasury.

(Signed) Jim McIntyre

James T. McIntyre, Jr.
Director

Enclosures

Summary of the Revenue Effects of H.R. 3919
The Crude Oil Windfall Profit Tax Act of 1980

Fiscal Years 1980-85

	(\$ millions)					
	Fiscal Years					
	1980	1981	1982	1983	1984	1985
Windfall profit tax:						
Gross windfall profit tax	6,558	23,138	32,827	34,948	36,256	37,308
Income tax offset	<u>-2,385</u>	<u>-8,184</u>	<u>-12,823</u>	<u>-14,627</u>	<u>-15,235</u>	<u>-15,634</u>
Net windfall profit tax	4,173	14,954	20,004	20,321	21,021	21,674
Residential energy credits	-8	-45	-56	-75	-106	-150
Business energy incentives	-50	-206	-274	-567	-986	-1,428
Repeal of carryover basis	--	-*	-36	-95	-163	-238
Interest and dividend exclusion	--	-314	-2,278	-1,713	--	--
Involuntary liquidation of LIFO <u>1/</u> ..	--	--	--	--	--	--
Recapture of LIFO reserves on corporate liquidations	--	--	112	250	250	250
Total, net effect of all provisions	<u>4,115</u>	<u>14,389</u>	<u>17,472</u>	<u>18,121</u>	<u>20,016</u>	<u>20,108</u>

Office of the Secretary of the Treasury
Office of Tax Analysis

March 26, 1980

1/ Assumes authority will not be exercised.

*Less than \$500,000.

Note: The oil prices assumed for these estimates are those used for the March budget update.

[These four are credited in the text:
Sen. Robert Byrd, Sen. Russell Long, Cong.
Al Ullman, Cong. Barber Conable. These
may or may not be present (final list to be
supplied by Patty DeSouza): Sens. Bill Bradley,
Jack Danforth, Moynihan, Nelson, Ribicoff,
Chafee, Durenberger, Packwood, and Roth.]

Stewart/Schirmer
Draft A-1; 3/31/80
Scheduled Delivery:
Wed, 4/2/80, 9:30 AM

Talking Points for Windfall Profits Bill Signing

1. WE ARE HERE TODAY TO CELEBRATE A GREAT VICTORY FOR
EVERY AMERICAN -- OUR FIGHT FOR THE WINDFALL PROFITS TAX HAS
BEEN WON AT LAST -- AND THE KEYSTONE OF OUR NATIONAL ENERGY
POLICY IS NOW IN PLACE.

2. EXACTLY ONE YEAR AGO THIS WEEK I FIRST PROPOSED THIS
TAX. I DID IT BECAUSE I BELIEVE THE AMERICAN PEOPLE THEMSELVES
SHOULD BE THE ONES TO PROFIT MOST FROM DECONTROL -- AND THANKS
TO THE EFFORTS OF MANY HERE TODAY, THEY WILL.

3. RESPONSIBLE LEADERS OF CONGRESS AND I KNEW OUR NATION
COULD NEVER PRODUCE NEW OIL, CONSERVE MORE OIL, AND APPLY ITS
GENIUS TO FINDING ALTERNATIVE SOURCES AS LONG AS OUR GOVERNMENT
ACTUALLY SUBSIDIZED OUR CONSUMPTION OF FOREIGN OIL BY SETTING
ARTIFICIAL PRICES. AT THE SAME TIME WE BELIEVED THAT THROUGH
THIS FAIR TAX WE COULD DIVERT THE UNEARNED PROFITS TO OUR POOR,
TO MASS TRANSIT, TO NEW ENERGY SOURCES, AND TO CONSERVATION.

4. BUT MANY POLITICIANS SAID WE COULD NEVER GET SUCH A TAX
PAST THE OIL LOBBY. WE KNEW THAT WE COULD REALISTICALLY HOPE TO
GET THE TAX ONLY IF WE HAD THE COURAGE TO DO WHAT EXPERTS IN
BOTH CONSERVATION AND PRODUCTION HAD LONG URGED -- GO AHEAD WITH
GRADUAL DECONTROL. THE TWO WERE PLANNED TOGETHER AS PART OF ONE
POLICY. TODAY THEY ARE JOINED TOGETHER IN ONE ENERGY POLICY FOR
AMERICA. STEADY, DETERMINED WORK HAS WON THIS VICTORY TODAY.

WE HAVE FACED POLITICAL ATTACKS AND SPECIAL INTEREST PRESSURES
-- AND WE HAVE TRUMPHEDED.

5. THAT IS WHY THE FINAL PASSAGE OF THE WINDFALL PROFITS
TAX MEANS SO MUCH TO ALL OF US HERE -- IT IS PROOF THAT THROUGH
PATIENCE AND FIRMNESS THE GOVERNMENT OF THIS COUNTRY CAN PREVAIL
OVER SPECIAL INTERESTS AND POLITICAL INTERESTS. AND I AM PROUD
TO TELL THE PEOPLE OF AMERICA TODAY THAT THEIR WINDFALL PROFITS
TAX IS NOT A PROMISE -- IT IS A FACT.

6. NOW THIS VICTORY BRINGS US TO THE VERGE OF ENACTING
THE NATIONAL ENERGY POLICY I HAVE BEEN WORKING TO BUILD SINCE
MY FIRST ENERGY PROPOSALS -- EXACTLY THREE YEARS AGO THIS MONTH.
AT LAST AMERICA WILL HAVE BOTH THE INCENTIVE AND THE MEANS TO
PRODUCE MORE OIL, CONSERVE MORE OIL, AND REPLACE MORE OIL WITH
ALTERNATIVE FORMS OF ENERGY.

7. I ESPECIALLY CONGRATULATE SENATOR BYRD, SENATOR LONG,
CONGRESSMAN ULLMAN, CONGRESSMAN CONABLE, AND THE MEMBERS AND
STAFF OF THE HOUSE WAYS AND MEANS COMMITTEE, THE SENATE FINANCE
COMMITTEE, AND THE JOINT COMMITTEE ON TAXATION FOR THEIR HARD
WORK AND DEDICATION TO DEVELOPING THIS CRUCIAL LEGISLATION.
THE ISSUES INVOLVED WERE COMPLICATED, AND THE DEBATE SOMETIMES
HEATED, YET THEY PERSEVERED AND ACTED IN THE BEST INTERESTS OF
OUR NATION.

8. I ALSO WANT TO THANK GOVERNOR BRENDAN BYRNE OF NEW JERSEY,
THE CO-CHAIRPERSONS OF THE CITIZENS COMMITTEE FOR A WINDFALL PROFITS
TAX, AND ESPECIALLY THE 40 LABOR UNIONS WHO JOINED IN THIS FIGHT.

THE CITIZENS COMMITTEE BROUGHT TOGETHER A FORCEFUL AND EFFECTIVE COALITION TO HELP MY ADMINISTRATION WIN A FAIR TAX. MANY ON THE COMMITTEE GAVE TIRELESSLY OF THEIR OWN TIME AND RESOURCES. THEY HAVE SHOWN THAT THE PUBLIC CAN BE HEARD AND CAN PREVAIL.

9. WHEN I PROPOSED THE TAX I INDICATED THAT THE REVENUES WOULD BE USED FOR THREE BASIC PURPOSES: ASSISTANCE TO LOW INCOME HOUSEHOLDS IN MEETING RISING ENERGY COSTS, SUBSTANTIALLY INCREASED FUNDING FOR MASS TRANSIT, INCLUDING BUSES AND SUBWAYS, AND DEVELOPMENT OF ALTERNATIVES TO IMPORTED OIL, INCLUDING CONSERVATION. WE MUST NOT LOSE SIGHT OF THOSE GOALS. IF WE ARE TO OVERCOME INFLATION AND THE RISKS TO OUR NATIONAL SECURITY CAUSED BY OUR DEPENDENCE ON FOREIGN COUNTRIES FOR ALMOST HALF THE OIL WE USE, WE MUST MOUNT A MASSIVE EFFORT TO DEVELOP AMERICAN ENERGY RESOURCES -- NOW.

a. OUR COUNTRY HAS ABUNDANT COAL RESOURCES. WE MUST CONVERT OUR ELECTRIC UTILITIES TO COAL AND FUELS OTHER THAN OIL. WE MUST FIND WAYS TO TURN COAL INTO GASES AND LIQUIDS WHICH CAN SUBSTITUTE DIRECTLY FOR OIL AND NATURAL GAS.

b. WE MUST AND WILL MAKE OUR HOMES AND APARTMENTS, OUR BUSINESSES AND FACTORIES MORE ENERGY EFFICIENT. THE WINDFALL PROFITS TAX WILL PROVIDE US WITH REVENUES NEEDED TO ASSIST THESE INVESTMENTS.

c. WE MUST GET ON WITH THE JOB OF DEVELOPING SOLAR AND OTHER RENEWABLE RESOURCES, SUCH AS GASOHOL, WIND, WOOD AND WATER.

AGAIN THE WINDFALL PROFITS TAX WILL PROVIDE THE SOURCE OF FUNDING NEEDED TO SUPPORT THESE ACTIVITIES.

10. THE CONFERENCE REPORT ON THE WINDFALL TAX PROVIDES GUIDANCE ON THE USE OF THE \$227 BILLION IN REVENUES WHICH IT IS EXPECTED TO PRODUCE. IT IS IMPORTANT TO POINT OUT THAT ALL EXPENDITURES OF FUNDS RAISED BY THE WINDFALL TAX REQUIRE AUTHORIZATION AND APPROPRIATION THROUGH THE NORMAL LEGISLATIVE PROCESS. THIS PROVIDES BOTH THE ADMINISTRATION AND THE CONGRESS SUFFICIENT FLEXIBILITY TO ENSURE THAT OUR THREE BASIC PURPOSES -- LOW INCOME ASSISTANCE, MASS TRANSIT, AND ALTERNATIVE ENERGY SUPPLIES -- ARE TAKEN CARE OF.

11. THE LEGISLATION GIVES US GUIDANCE THAT 60 PERCENT OF THE WINDFALL PROFITS TAX RECEIPTS BE USED FOR BUSINESS OR PERSONAL INCOME TAX REDUCTIONS, OR FOR REDUCING THE FEDERAL DEFICIT. AS I HAVE SAID BEFORE, OUR FIRST PRIORITY IS BALANCING THE FISCAL YEAR 1981 BUDGET. ONCE THE CONGRESS HAS DEMONSTRATED THE RESOLVE OF OUR NATION NEEDED TO ACCOMPLISH THAT GOAL, WE CAN THEN CONSIDER -- THROUGH THE NORMAL LEGISLATIVE PROCESS -- TAX REDUCTIONS. BUT WE MUST NOT BE DETERRED FROM THAT FIRST ORDER OF BUSINESS -- FIGHTING INFLATION. INFLATION IS AN 18 PERCENT TAX ON BEING ALIVE -- AND THAT IS THE TAX WE HAVE TO CUT FIRST. AND THIS VICTORY TODAY IS PROOF THAT BY STANDING FIRM WE -- AND THE PEOPLE -- CAN PREVAIL.

12. THE WINDFALL PROFITS TAX BILL ALSO PROVIDES VITALLY NEEDED FUNDING FOR OUR PROGRAM TO ASSIST LOWER INCOME PEOPLE IN OUR COUNTRY IN MEETING THE RISING COSTS OF ENERGY.

WE ARE A COMPASSIONATE NATION, AND WE WILL NOT IGNORE THE NEEDS
OF THOSE WHO ARE HARDEST HIT BY RISING OPEC PRICES.

13. THE BILL I AM SIGNING INTO LAW TODAY IS AN HISTORIC
STEP TOWARD OUR NATION'S ENERGY SECURITY. BUT WE HAVE STILL
SEVERAL PIECES OF UNFINISHED BUSINESS WHICH MUST BE DEALT WITH
PROMPTLY. THE CONFERENCE REPORT ON THE ENERGY MOBILIZATION
BOARD, DESIGNED TO CUT RED TAPE AND SPEED DECISION MAKING ON
CRITICAL ENERGY PROJECTS, MUST BE COMPLETED. THE HOUSE/SENATE
CONFERENCE MUST ALSO COMPLETE WORK ON THE OMNIBUS LEGISLATION
WHICH PROVIDES FOR A SYNTHETIC FUELS CORPORATION, FOR ENERGY
CONSERVATION, FOR THE DEVELOPMENT OF BIOMASS RESOURCES, AND FOR
SOLAR ENERGY. THE AREAS OF DIFFERENCES HAVE NARROWED CONSIDERABLY.
I URGE THE CONGRESS TO PRESS FORWARD TO RESOLVE THOSE DIFFERENCES
WHICH STILL REMAIN.

14. WINNING PASSAGE OF THIS FAIR LAW MAKES ME CONFIDENT
THAT WE CAN AND WILL ACT TOGETHER -- IN A POSITIVE SPIRIT -- TO
TAKE ON OTHER TOUGH BATTLES IN THE STRUGGLE TO DEFEAT INFLATION
AND PROTECT OUR NATION'S SECURITY. WE KNOW THAT WILL NOT BE EASY,
ESPECIALLY WITH ALL THE CLEVER SLOGANS AND QUICK DECEPTIONS THAT
ARE BEING OFFERED UP IN THIS ELECTION YEAR. BUT THE AMERICAN
PEOPLE KNOW IT IS ALWAYS EASIER TO ATTACK A PLAN THAN TO CREATE ONE.

IT IS ALWAYS EASIER TO DESTROY A CONSENSUS THAN TO BUILD ONE.

IT IS ALWAYS EASIER TO SERVE A PARTISAN INTEREST THAN THE
PUBLIC INTEREST.

WE WOULD NOT HAVE ARRIVED HERE TO CELEBRATE THIS VICTORY
FOR AMERICA IF WE HAD LOOKED FOR THE EASY WAYS OUT OF OUR
RESPONSIBILITIES. NOW, ARMED WITH THE RESOURCES OF THE WINDFALL
PROFITS TAX, I KNOW WE CAN FINISH THE TASK OF MAKING AMERICA AN
ENERGY SECURE NATION.

#

THE WHITE HOUSE
WASHINGTON

Phil has
Seen

THE WHITE HOUSE
WASHINGTON

April 2, 1980

MR. PRESIDENT:

JOHN WEST WANTS TO SEE
YOU FOR FIVE MINUTES TODAY
ON A "FAIRLY IMPORTANT
MATTER." MAY I SCHEDULE
THIS?

YES NO



PHIL

Electrostatic Copy Made
for Preservation Purposes

12:25 PM

THE WHITE HOUSE

WASHINGTON

April 1, 1980

TAPING FOR SENATOR LAWTON CHILES (D-FLA)

Wednesday, April 2, 1980
12:25 p.m. (1 minute)
The Oval Office

From: Dan Tate

I. PURPOSE

To record a tape to be played at a birthday party for Senator Chiles.

II. BACKGROUND

Senator Chiles' wife, Rhea, is hosting a birthday party for the Senator's 50th birthday. Mrs. Chiles asked that you record a tape that could be played at the party which takes place in Tampa.

III. TALKING POINTS

"Lawton, Rosalynn and I want to wish you a very happy birthday and are sorry that we cannot be with you, ~~[Rhea]~~ your family and friends to help you celebrate this milestone in your life. Rosalynn and I ~~still love you~~ are proud even if you have turned 50!"

*and are over
the hill like
we are!*

*of your friendship,
Congratulate you on
this important day,
and appreciate your
great career - ~~to~~
already & in the
future --*

12:30 PM

THE WHITE HOUSE

WASHINGTON

LUNCHEON WITH BUSINESS LEADERS

12:30 p.m. (1 to 1½ hours)

APRIL 2, 1980

RESIDENCE

FROM: ANNE WEXLER *AW*

I. PURPOSE

To meet with key business leaders for a discussion of strategy to pass a balanced budget and future economic activities.

II. BACKGROUND, PARTICIPANTS AND AGENDA

1. Background - The genesis of this meeting was a conversation between Irving Shapiro and you. Shapiro suggested a small meeting to discuss:

- Strategy for passing the balanced budget. This will be the first item on the agenda, and the discussion should be introduced by you. They have two concerns. First, that the Congress will not be able to sustain the national resolve for a balanced budget and second, that if we balance it in '81 we won't do it in subsequent years. We should explain the timetable (see attached) and tell them how they can help.
- Future economic actions. The group will have met before the luncheon to plan their presentation. Tom Murphy will be the spokesperson. This discussion will revolve around future economic actions and plans.

Shapiro hopes that the atmosphere and the discussion will be informal. The lunch is expected to last 1 to 1½ hours.

Discussion should be opened by you during lunch and continued throughout the session.

Background materials on the budget will be distributed to the participants in the Diplomatic Room as they leave the White House.

2. Participants :

Theodore F. Brophy, Chairman
General Telephone & Electronics Corporation

Frank T. Cary, Chairman
International Business Machines Corporation

Clifton C. Garvin, Jr., Chairman
EXXON Corporation

Thomas A. Murphy, Chairman
General Motors Corporation

Donald V. Seibert, Chairman
J. C. Penney Company, Inc.

Irving S. Shapiro, Chairman
E. I. du Pont de Nemours & Co.

Walter B. Wriston, Chairman
Citicorp

Administration:

The President and Mrs. Carter

Lloyd Cutler
Counsel to the President

Stu Eizenstat
Assistant to the President for
Domestic Affairs and Policy

Al McDonald
White House Staff Director

G. William Miller
Secretary of the Treasury

Paul Volcker
Chairman, Board of Governors
Federal Reserve Board

Anne Wexler
Assistant to the President

Robert Strauss

Additional information on the business leaders is attached.

3. Agenda

You should open the discussion -- either generally or on the budget --- then Bill Miller and Stu Eizenstat will answer budget questions. It is important to stress that we need their help as business leaders with the Appropriations Sub-Committees to pass a balanced budget.

After the budget discussion, call on Tom Murphy who will speak for the others.

ADDITIONAL INFORMATION ON BUSINESS LEADERS

Ted Brophy is Chairman of General Telephone & Electronics Corporation; his wife's name is Sallie. He is Chairman of the Tax Committee of the Business Roundtable and has been an advocate of "10-5-3" or other tax cuts to improve productivity and investment. He urged these actions even at the expense of a balanced budget during our consultations with him prior to your March 14 anti-inflation announcements.

Campaign contributions: \$500

Frank Cary is Chairman of International Business Machines Corporation; his wife's name is Anne. During our anti-inflation consultations he urged that we announce actions with results which would occur during your Administration (the next three or four years) so as to give Americans an objective and hope.

Campaign contributions: \$500

Cliff Garvin is Chairman of EXXON Corporation; his wife's name is Thelma. He is considered a moderate among the oil company heads and supported the Administration on SALT. While he disagreed on the Windfall Profits Tax, he was less visible in his opposition than others. EXXON is an oil company in compliance with the voluntary wage and price guidelines. He is widely respected by his peers.

Campaign contributions: \$1000

Tom Murphy is Chairman of General Motors Corporation; his wife's name is Sis. He took the lead in endorsing your original anti-inflation voluntary wage and price guidelines and was attacked by some other business leaders and the Wall Street Journal on several occasions. He has subsequently endorsed your announcements on March 14. He urges stronger action on regulatory reform -- and has suggested a moratorium on new regulation. He would postpone deadlines or ease requirements in air quality and energy efficiency regulations which effect diesel particulates and mileage requirements in automobiles.

Campaign contributions: \$1000

Don Seibert (pronounced "Sybert") is Chairman of J. C. Penney Company, Inc.; his wife's name is Verna. He is the Chairman of the Inflation Task Force of the Business Roundtable and Chairman of the National Retail Merchants Association.

Campaign contributions: No information

Irving Shapiro is Chairman of E. I. du Pont de Nemours & Co.; his wife's name is Charlotte. A former President of the Business Roundtable, he has endorsed your economic programs, past and present, and your re-election. He has been instrumental in organizing business support for Administration initiatives, ranging from our economic programs to SALT and the Panama Canal Treaties.

Campaign contributions: \$1000

Walter Wriston is Chairman of Citicorp (i.e., City Bank); his wife's name is Kathy. He is considered to have one of the best minds in the financial community and is very respected by businessmen.

Campaign contributions: No information

CONGRESSIONAL BUDGET SCHEDULE

- April 15 - Deadline for Budget Committees to report first budget resolution
- Late April-
Early May House and Senate Appropriations Committees begin subcommittee mark-ups. Appropriations Committee action on rescissions and deferrals is also likely to begin at this time.
- May 15 - Deadline for adoption of first budget resolution
- Congressional Committees report new authorizing legislation
- Late May -
September The appropriations schedule proceeds with full committee mark-ups, floor action and conferences
- September 8 - All action on appropriations bills should be completed
- September 15 - Deadline for the adoption of the 2nd budget resolution
- September 25 - Congress completes action on any reconciliation measures
- October 1 - Fiscal Year 1981 begins

C
/

AFP: TEHRAN SOURCE REPORTS U.S. GUARANTEES TO IRAN

NC021117 PARIS AFP IN ENGLISH 1114 GMT 2 APR 80 NC

(TEXT) TEHRAN, APRIL 2 (AFP)--THE U.S. GOVERNMENT LAST NIGHT GAVE IRAN SUFFICIENT GUARANTEE THAT IT WOULD REFRAIN FROM ANTI-IRANIAN ACTION, TO SATISFY PRESIDENT ABOLHASAN BANI-SADR AND ALLOW TRANSFER OF THE U.S. EMBASSY HOSTAGES TO THE IRANIAN GOVERNMENT, A USUALLY WELL INFORMED SOURCE SAID HERE TODAY.

THE SOURCE DID NOT SAY HOW THE GUARANTEE HAD BEEN TRANSMITTED, BUT IT APPARENTLY CAME AFTER PRESIDENT BANI-SADR REJECTED AS INSUFFICIENT PRESIDENT JIMMY CARTER'S STATEMENT THAT THE U.S. WOULD POSTPONE NEW ECONOMIC SANCTIONS AGAINST IRAN WHILE MAINTAINING CURRENT SANCTIONS.

MR CARTER SPOKE AFTER PRESIDENT BANI-SADR EARLIER IN THE DAY DEMANDED THAT THE U.S., AS A CONDITION FOR THE HOSTAGES' TRANSFER TO THE RULING REVOLUTIONARY COUNCIL, OFFICIALLY RENOUNCE ALL HOSTILE ACTIVITIES AND REFRAIN FROM "FALSE PROPAGANDA" AGAIN IRAN.

THE ESTIMATED 52 AMERICAN HOSTAGES HAVE BEEN HELD SINCE THE EMBASSY WAS SEIZED NOVEMBER 4 BY A GROUP OF ISLAMIC STUDENT MILITANTS.

THE MILITANTS HAVE HAD NO PUBLIC REACTION TO PRESIDENT BANI-SADR'S SPEECH, BUT A GENERALLY WELL-INFORMED SOURCE SAID THEY HAD APPROVED HIS TRANSFER PLAN ON MONDAY EVENING, BEFORE THE SPEECH.

BUT THE ATTITUDE OF REVOLUTIONARY LEADER AYATOLLAH RUHOLLAH KHOMEYNI TO THE PLAN REMAINED UNCLEAR TODAY.

LAST NIGHT, IN AN ADDRESS DELIVERED BY HIS SON AHMAD, HE HARSHLY CRITICIZED THE UNITED STATES AND RECALLED THAT THE ISLAMIC PARLIAMENT THAT IS TO ASSEMBLE IN MID-MAY WAS TO DECIDE THE FATE OF THE HOSTAGES.

THE WHITE HOUSE
WASHINGTON

02 Apr 80

Frank Moore

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

Rick Hutcheson

cc: The Vice President
Hamilton Jordan
Stu Eizenstat
Al McDonald
Jack Watson

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

March 29, 1980

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

SUBJECT: Weekly Legislative Report

I. DOMESTIC POLICY ISSUES

1. Energy

Energy Security Corporation (ESC)

The Conference Committee met Wednesday and Thursday on the Conservation and Solar Bank Titles. Nevertheless some 30 issues remain to be resolved at the staff level. It appears unlikely that the Conferees will complete action on these two titles before the end of April.

DOE FY 81 Authorization

The House Science and Technology Subcommittee on Energy Research and Production conducted three days of markup on Tuesday, Wednesday, and Thursday. Wednesday the Subcommittee voted to include \$155 million for the Clinch River Breeder Reactor (CRBR). Of that amount, \$15 million could be applied to a joint study with the United Kingdom.

The continuation of the markup by the House Commerce Subcommittee on Energy and Power was held Thursday. The Subcommittee agreed to a Stockman Amendment by a vote of 13-7 to delete funding for the entitlements program, thereby attempting to curb the President's authority to impose the oil import fees. The bill was reported as amended.

The Full Committee will not take up the bill until after the recess.

Utility Oil Reduction

Senate hearings will be held April 23 and 25. Congressman Dingell drafted a separate bill which was introduced Wednesday. The Dingell bill differs in some areas from the Senate bill. For

instance, it has a provision prohibiting use of Phase II money for nuclear generating plants. Dingell will hold hearings Wednesday. Witnesses from DOE, EPA, CEA, and CEQ have been requested.

To date Dingell and Staggers are the sole supporters of the bill on the Committee. Dingell will try to gain the support of the Subcommittee's ranking minority Member, Congressman Bud Brown. However, conservative Republicans seem committed to opposing the bill as a utility "bail out."

Environmental groups are beginning to voice opposition. We are emphasizing that you are very concerned about the acid rain issue, and that the Administration is committed to dealing with the problem separately. Both Senator Byrd and Congressman Dingell favor this strategy.

2. First Budget Resolution

Senate

The Senate Budget Committee began markup on the First Budget Resolution on Wednesday afternoon. Thursday the Republicans, with some help from Senator Hollings, proposed that a Third Budget Resolution for 1980 was not needed at all. These efforts finally failed.

Late Thursday the Senators began to consider the specific budget functions for 1980. Senator Hollings moved unexpectedly to accept the Second Budget Resolution level for 1980 for Defense. This provided a cut of \$2.8 billion in BA and \$4.1 billion in outlays from our revised 1980 figures. Few Senators wanted to tackle Senator Hollings on Defense; the motion passed 12 to 3.

During Friday's markup, which covered more than half the functions, most funding was set at the second resolution level, with only a few exceptions (for example, an allowance for the Chrysler loan).

The Committee is now working toward a 1980 total that is completely unrealistic and probably could not be attained without terminating many Federal operations and payments. We suspect that the Senate, as a whole, will put substantial pressure on the Budget Committee to reverse itself. There is a possibility that the whole budget process is crumbling in the Senate.

OMB believes that the Administration should not heavily intervene in the markup until the Committee completes its gaming and returns to budget reality. The Committee has not considered 1981 spending after three days of markup.

House

Wednesday, the House Budget Committee met again and agreed to withdraw its recommendation for \$3.5 million in miscellaneous additional revenues. The Committee also rejected an attempt to add \$500 million to the resolution for our transitional assistance program for cities.

The budget resolution is now before the Rules Committee, where hearings will continue on Monday. The rule is not likely to go to the floor before recess.

We expect the House to approve a modified closed rule, which would permit four or five specific types of amendments. Amendment candidates include:

- .. Defense (Gramm (?))
- .. Cities (Obey and/or Solarz)
- .. Human resources (Black Caucus)
- .. Tax cuts (Republican substitute)
- .. Postal subsidies (Hanley)

Specific amendments have not been developed yet, in part because the Leadership is still undecided on how best to proceed on the floor.

3. Selective Service Registration

Thursday morning Chairman Jamie Whitten abruptly cancelled the Appropriations Committee's scheduled markup of the Selective Service System supplemental appropriations bill. We are very concerned that his decision to defer consideration until after the Easter recess will seriously impair the prospects for registration.

Whitten has offered a variety of excuses for not wanting to proceed. None of these has been well-founded, and we are satisfied that Whitten's only "real" concern is that he will be opposed for reelection if he takes action before next Thursday's filing date in Mississippi. The fact that 35 percent of his district is black appears to be the only basis for his concern. While no one believes he can be defeated, the existence of an opponent would force him to campaign.

We believe that we have the votes in both Houses to pass a supplemental appropriation to register men. However, we are convinced that delaying House action until after the recess will substantially increase the risk (a) that the bill will not pass, or (b) that passage -- particularly in the Senate -- will be delayed making it impossible to commence registration before late summer or early fall.

When the House returns, the budget resolution will take first

priority making it unlikely that the supplemental will reach the Senate before the week of April 28.

Once there, the bill will face a hostile subcommittee (chaired by Senator Proxmire) and a filibuster led by Senator Hatfield. At present, Senator Byrd is willing to set aside other Senate business to deal with a filibuster. However, he will be less sympathetic in May when budget rescissions and important authorization bills are vying for floor time. We have decided it would be best to pursue registration vigorously after the recess. You will receive a phone request for Chairman Whitten from Jim McIntyre and myself.

4. Regulatory Reform

The Regulatory Reform Bill was reported from Congressman Danielson's Subcommittee to the full Judiciary Committee on Thursday by a unanimous voice vote. In the Subcommittee's final actions this week, we had both a major victory and a significant loss.

We were successful in defeating the legislative veto amendment by a vote of 4-5. Congressman Hughes cast the deciding vote after your persuasive phone call. However, on Tuesday the Subcommittee voted to cut the \$20 million in the bill for public participation funding to \$5 million and to limit the funds to those agencies that already have such programs. This loss makes the public interest groups less certain of their support for the bill and deletes one of our major bargaining tools.

The Judiciary Committee may take up the bill in early May. We expect the Senate Governmental Affairs Committee will resume markup after the Easter recess.

5. Extension of Reorganization Authority

The Senate must pass H.R. 6585 next week to meet the April 6 deadline for extension of the Reorganization Authority. The Senate Governmental Affairs Committee has scheduled a hearing on Wednesday. In order to expedite Senate passage that same day, we have asked Senator Byrd to move to discharge the Committee from further consideration of the bill. This will require unanimous consent. If the motion carries, H.R. 6585 will be placed on the calendar and voted on immediately by the full Senate. This procedure will also avoid a conference.

6. Youth Initiative

Hearings on the labor portion of the youth initiative have been completed by both House and Senate Subcommittees. At this time, it is extremely unclear what action either Committee is contemplating.

However, it is likely that the budget reductions will reduce their impetus to move a bill this year. It is possible that the House will report a simple extension of existing youth programs

for FY 1981 and spend time during the Spring and early Summer working on a revised youth initiative to take effect in 1982.

There is greater sympathy for our proposal in the Senate Committee, but Senator Nelson is very concerned about authorizing a new program in a tight budget year.

7. Trucking Deregulation

The trucking bill will be on the Senate floor the week after the recess. There will be two major amendments offered which we oppose. The first would eliminate the provision broadening the agricultural exemption; the second would grant antitrust immunity.

We were unable to get the desired time agreement or limit to amendments, but there will be a limit to the time allowed for each amendment.

8. Federal Trade Commission (FTC)

The FTC Conference has become mired in controversy over the regulations and certifications procedure and the "kid vid" issue. The Conferees plan to meet next to continue discussion, although detailed specifications of preliminary compromises have not been made available. The Administration is likely to have objections to some of them.

9. Suspension Legislation

Wednesday, the Senate Agriculture Committee retreated from its original package of bills to aid farmers affected by the Soviet grain sale suspension. The Committee abandoned efforts to raise price supports substantially and force production controls, and approved a bill including increases in loans only for wheat and feed grains that are placed in the reserve. The bill also contained the Administration-backed proposal for a food aid reserve of four million tons of wheat for developing nations, with a provision the program would end after five years.

10. Mortgage Bonds

The House passed the bill putting restrictions on the increased use of tax-exempt state and local bonds for home mortgage loans 238-178. The House also adopted the liberal transition rules allowing some \$14 billion in contemplated bond issues now in the pipeline to go forward. A last-minute attempt by the home builders lobby to kill the bill failed. It is expected that when the bill reaches the Senate, the restrictions on mortgage bonds will be considerably loosened.

II. FOREIGN POLICY ISSUES

1. Security Council Vote

The House Foreign Affairs Committee voted Wednesday to bring a Resolution of Inquiry to the floor with a motion to discharge the Committee of its responsibility and table the Resolution. This is a privileged Resolution and can be taken up at any time. Chairman Zablocki had hoped to dispose of the issue next Tuesday but has agreed to delay until Wednesday to permit Representative Holtzman to speak before her Resolution is tabled. In return Holtzman agreed to the tabling of the Resolution.

2. Israeli Minister Modai on the Hill

Israeli Minister Modai has been consulting on the Hill regarding Israel's intention to "activate" the Memorandum of Agreement on oil supplies. According to the Embassy of Israel, Modai found support for, or at least no objection to, making the move at this time.

Our information differs. We understand that Modai talked with Senators Church, Stone, and Stevens. Church is reported to have told Modai that this was a most inopportune time for Israel to activate the agreement. Stone, on the other hand, told Modai that in his judgment there is no way the President can object to the activation at this time, because of the domestic U.S. political situation. We are unsure of Stevens' conversation with Modai.

Modai met with Representatives Solarz, Bingham, and perhaps Rosenthal Friday. Some of Israel's strongest supporters on the Hill are convinced that it would be a serious mistake for Israel to invoke the agreement now. They conveyed this to Modai.

3. FY 1981 Foreign Aid Bill

The FY 81 aid bill emerged from the HFAC markup in good shape. Several important provisions designed to provide for greater Presidential authority and flexibility were approved. Very few of our programs were cut; in fact, the Committee added approximately \$100 million to our January request, despite efforts by the Administration and Chairman Zablocki to hold the line. This higher level may serve to make the bill an even more tempting target when it goes to the floor after the Easter recess. The fact that this year's bill includes security as well as development assistance may help, although to what extent the former can carry the latter remains to be seen. In this election year, we can also expect problems with funding levels in the Senate.

We also face the specific problem of the HFAC's earmarking of Israel's FMS program at \$1.4 billion, \$200 million above our request. If insufficient funds are appropriated for FMS, as has happened in past years, our other programs will necessarily suffer from the earmarking. We expect that the security assistance level for Israel will be an important issue in the Senate as well.

4. Aid for Central America

Tuesday the House Appropriations Subcommittee on Foreign Operations held hearings on reprogramming for El Salvador and Honduras. Only the \$5.7 million in FMS credits from El Salvador was controversial. The Subcommittee, however, put off a final decision on whether to approve the reprogramming until after Archbishop Romero's funeral. A vote is now expected on Tuesday and, barring fierce repression in El Salvador, we expect the reprogramming to be approved.

The Nicaragua aid authorization bill, which has been passed by both Houses, will now go back to the House Rules Committee and then to the floor so that Conferees may be named. Because of the recent signing of some Nicaraguan-Soviet agreements and the increasingly strident anti-American statements by Nicaraguan Government officials, the task of getting the Nicaragua supplemental approved will be more difficult than ever when it comes up after the Easter recess.

5. Defense Authorization

The House Armed Services Committee has approved Titles I, II, and III (procurement, shipbuilding, and R&D) of the Defense authorization bill, with a total increase over our January budget request of \$5.8 billion in BA.

Despite Dr. Perry's defense of the CX program before the full Committee on Wednesday, he was unable to overturn the adverse impact of Air Force testimony and actions over the past month. The program failed 17 to 22.

The loss in the House was due, in large part, to testimony which supported the CX as a warmed-over AMST that has not been supported by this Administration. The consensus was that the Administration would again cancel this program, as we have AMST, once the current Persian Gulf emergency subsides.

A recent request for proposals (RFP), issued by the Air Force, further confused the CX requirement. The level of detail tended to confirm congressional and industrial fears. John White sent a cautionary note to DoD on the RFP, but to no avail. Dr. Perry will testify before the Senate Armed Services Committee on Monday.

III. MISCELLANEOUS

Troublesome Bills

Asbestos

The Senate Education, Arts and the Humanities Subcommittee reported an asbestos bill to the Labor and Human Resources Committee. The bill is similar to the House-passed bill, which would create a new program to detect and eliminate asbestos exposure in schools. The Administration considers the House bill a veto candidate because of the transfer of a State and local responsibility to the Federal Government.

Passenger Rail Rehabilitation Act

The House began consideration of this bill Friday and should finish it on Monday. Although the bill, sponsored by Jim Florio, contains two important sections supported by the Administration, it is a possible veto candidate because of the inclusion of an unrequested \$105 million authorization for AMTRAK equipment and an additional tentative authorization of \$850 million for construction of new rail corridors between cities.

It is possible that a separate more acceptable bill may be taken up by the Senate at Senator Cannon's urging.

THE WHITE HOUSE

WASHINGTON

April 1, 1980

C

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR THE PRESIDENT

FROM: HUGH CARTER *HC*

SUBJECT: Quarterly Security Violation Report

Per your request, attached are the security violations for January, February and March 1980.

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

April 1, 1980

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR: LLOYD CUTLER
FROM: HUGH CARTER *HC*
SUBJECT: Security Violation 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>
1/22	Lloyd Cutler	Top Secret, Secret and Confidential material found in open brief case
3/5	Joe Onek	Secret and Confidential material found on desk top

cc: The President

THE WHITE HOUSE

WASHINGTON

April 1, 1980

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR: FILE
FROM: HUGH CARTER 
SUBJECT: Security Violation Quarterly Report

Listed below are the security violations for my office:

<u>Date</u>	<u>Name</u>	<u>Nature of Violation</u>
1/25	Sara Emery	Safe containing Secret material found open
3/8	Marty Beaman	Safe containing Secret material found open

cc: The President

THE WHITE HOUSE

WASHINGTON

April 1, 1980

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR: ARNIE MILLER
FROM: HUGH CARTER *HC*
SUBJECT: Security Violation 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>
1/30	Patty Pettit	Safe containing Secretary material found open

cc: The President

THE WHITE HOUSE

WASHINGTON

April 1, 1980

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR: CHARLIE SCHULTZE
FROM: HUGH CARTER *HC*
SUBJECT: Security Violation 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>
3/29	Lisa Stockdale	Cabinet containing Top Secret, Secret and Confidential material found open

cc: The President

THE WHITE HOUSE

WASHINGTON

April 1, 1980

ADMINISTRATIVELY RESTRICTED

MEMORANDUM FOR: BOB THOMSON
FROM: HUGH CARTER *HC*
SUBJECT: Security Violation 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>
3/21	Lisa Bourdeaux	Safe containing Secret and Confidential material found open

cc: The President

12:20 PM

THE WHITE HOUSE

WASHINGTON

PRESENTATION OF 1980 CANCER COURAGE AWARD
TO OTTO GRAHAM
April 2, 1980
12:20 p.m.
The Oval Office

From: Anne Wexler *Dave*

I. PURPOSE

To present the American Cancer Society's Cancer Courage Award to Otto Graham, a former pro-football quarterback for the Cleveland Browns and coach of the Redskins. This presentation will also launch the American Cancer Society's April Crusade.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: This is the fourth consecutive Cancer Courage Award you have presented. Last year you presented it to Tracy Andrus.

Otto Graham, a former professional football player and member of the Hall of Fame, developed cancer of the colon and rectum. Due to early diagnosis, prompt surgery and personal courage, Graham is now in good health.

This presentation gives you an opportunity to focus the attention of the American people on the critical problem of cancer. One-fourth of all Americans have some form of cancer during their lifetime. The American Cancer Society each year organizes two million volunteers to educate the public about the detection and prevention of cancer.

B. Participants: Otto Graham, Cancer Courage Award Winner, and his wife Beverly; Joseph Young, Chairman of the Board of the American Cancer Society (ACS); Dr. Saul Gusberg, President of ACS, and his wife, Dorothy; Admiral John B. Hayes, Commander of the U.S. Coast Guard, and his wife, Elizabeth; Lane Adams, Executive Vice President of ACS, and his wife, Elaine; and Irving Rimer, Vice President for Public Information, and his wife, Joan.

C. Press Plan: White House photographer, AP and UPI.

IV. TALKING POINTS

1. Otto Graham should be commended by all Americans for his courageous battle against cancer and his voluntary efforts to donate his time and energy to the fight against cancer. His story is an inspiration not only to cancer patients but to millions of Americans as to what true courage is.

2. I would also like to recall another courageous women, Marvella Bayh, who recently died of cancer. I will never forget her courage in facing cancer and her refusal to limit her involvement in the activities of the American Cancer Society and the activities of her husband, Senator Birch Bayh.

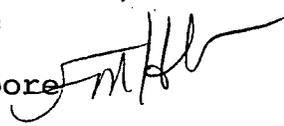
3. I call on all Americans to participate in the American Cancer Society's April Crusade either by giving their time or their financial support. The American Cancer Society should be commended for its efforts in the area of research (currently \$5.8 million are spent annually) and in the area of education through its April crusade.

THE WHITE HOUSE
WASHINGTON

April 1, 1980

MEETING WITH CONGRESSMAN HARLEY O. STAGGERS (D-WVa.)
Wednesday, April 2, 1980
12:15 p.m. (3 minutes)
The Oval Office

From: Frank Moore



I. PURPOSE

Photo opportunity for Rep. Harley O. Staggers and Lisa D. Simmons, the West Virginia Strawberry Festival Queen, and her family and Festival officials.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

Background: Chairman Staggers takes enormous pride in the West Virginia Strawberry Festival and the annual short greeting he requests for you to meet the Festival's queen and her family means a great deal to him. The Queen of the Strawberry Festival has met with every President since President Kennedy.

Participants: The President, Rep. Harley O. Staggers and Mrs. Staggers, Miss Lisa Simmons, the Strawberry Festival Queen, and her family, Mr. and Mrs. Lewis Simmons and 15 year old Marcia Simmons and 13 year old Jeffrey Simmons; Mr. and Mrs. Gary Frush, (President and Executive Director of the Festival), and their daughters, Lisa and Lori Frush; Mrs. Jody Light, Secretary of the Festival; Miss Marguerite Furfari, Administrative Assistant to Cong. Staggers; and Frank Moore.

Press Plan: White House Photo

III. TALKING POINTS

1. Usual courtesies
2. You might want to acknowledge Chairman Staggers' recent decision to retire and comment on his many years of public service (he was elected in 1948).

80
48
32

4/1/80 or
4/2/80

THE WHITE HOUSE
WASHINGTON

Wis 56-30-12
48 26 1

Kam 57-32-5
23 14

Ref: 916-443-80

Electrostatic Copy Made
for Preservation Purposes

4/1/80

7/2/80

THE WHITE HOUSE
WASHINGTON

Pos- CARE/PROT

→ IRAQ - ADD SANCTIONS

PRES of IRAN -

Xfer will be made

Add measures not

necessary

Pres 1st lunch 4/2/80

private luncheon with business leaders
 wednesday april 2, 1980

TED BROPHY = 10/5/3 GTE
 FRANK CARY = IBM = + V. PLAN
 CLIFF GARVIN = EXXON = +
 TOM MURPHY = GM = + Reg Form
 DON SIEBERT = JC PENNY = Retail MERCH
 IRVING SHAPIRO = duPont = ++
 WALTER WRISTON = CITICORP = CREDIT -

4/15 Bid Com Rep 1st Res
 5/15 ADOPT 1st Res
 → APPROP COM.
 9/8 APP BILLS COMPLETE
 9/25 RECONCILIATION ACTION
 10/1 7481

> Reg agencies - action?

Tax legis

No O&P controls

> attack spec element

Dereg = Air, Truck, Rail -

Oil - Bank/Std - Comm

Reg Reform

MRS. CARTER

Donald Seibert
Alonzo McDonald
Theodore Brophy
Ann Wexler
Frank Cary
Lloyd Cutler
Walter Wriston

Clifton Garvin
Secy of Treasury
Robert Strauss
Thomas Murphy
Paul Volcker
Stuart Eizenstat
Irving Shapiro

THE PRESIDENT